

FBIS

DAILY REPORT

CONTENTS

Asia & Pacific

Vol IV No 146

27 July 1984

JAPAN

Mondale Industrial Policy Could Prove Harmful	C	1
Envoy to Seoul: No Fast Cure for Trade Deficit [YONHAP]	C	2
JSP's Tanabe, Youth Group Leave for Beijing	C	2
Komeito Delegation To Visit PRC in Autumn	C	2
Sharp Supplies Recording Technology to PRC	C	3
UN's Cordovez Hails Peace Initiatives for Gulf	C	3
Report to UN Proposes Nuclear Test Inspection	C	3
Nakasone Orders Adherence to Austerity Budget	C	4
Finance Ministry Plan Curbs Defense Budget Hike	C	4

NORTH KOREA

KPA Naval Patrol Seizes Japanese Fishing Boats	D	1
Hwang Chang-yop Meets Chinese, Chuche Groups	D	1
Pyongyang Meeting on Cuban Revolution Held	D	1
MAC Member Hosts Reception on War Anniversary	D	2
Cuban, Other Foreign Media Report on WPK Plenum	D	2
Meetings on Kim Il-song's Teachings, Tour Held	D	2
Yi Chong-ok Attends Light Industry Group Meeting	D	3
Paek Hak-nim Article Notes Kim Chong-il Orders	D	4
New Kaeson Park Followed Kim Chong-il Guidance	D	7
Briefs: North Hamgyong Delegation; Educational Contingent	D	7

SOUTH KOREA

North, South May Hold Post-Olympics Sports Talks [TONG-A ILBO 26 Jul]	E	1
Chongnyon Resumes Repatriation of Koreans [THE KOREA HERALD 27 Jul]	E	1
Government To Release Hijackers to Taiwan in 1984	E	1
Haitian Minister Supports Inter-Korean Talks	E	2
Bolivian Lawmakers Arrive In Seoul for Visit	E	2

KAMPUCHEA

Communique on French Delegation's Visit Released	H	1
SPK Comments on Chan Si Visit to Bulgaria	H	1
Thai Authorities Termed PRC 'Cat's Paw'	H	2
Heng Samrin Greets Truong Chinh on Veterans Day	H	2
Laos News Agency Delegation Arrives for Visit	H	3
Arrival in Phnom Penh	H	3
Received by Men Sam-an	H	3
Phnom Penh on Battles During Rainy Season	H	4
Thai Paper Says Khmer Troops Move to Koh Kong [Bangkok BANGKOK POST 26 Jul]	H	4
Hun Sen on Possible Role for Sihanouk, Son Sann [AFP]	H	5

LAOS

Souban Salitthilat Returns, Views Thai Talks I 1
Commentary Views Thai Border Dispute Position I 1

THAILAND

Sitthi Speaks With PRC's Hu Yaobang in Beijing J 1
[BANGKOK POST 27 Jul]
Army Official Notes Lao Troop Border Buildup J 1
Communist Leader Atsani Seeks Asylum in Laos J 1
[THE NATION REVIEW 27 Jul]
Mobilization of Village Scouts Condemned by MP J 2
[BANGKOK POST 27 Jul]

VIETNAM

Border Guards, Militia Punish PRC Intruders K 1
Views of PRC, Thai Foreign Ministers Condemned K 1
Further Reportage on Mozambican Group's Visit K 1
Le Van Luong on PRC Sabotage K 1
Banquet Given K 3
Truong Chinh Dinner Speech K 3
Machel Reply Speech K 5
Delegations Hold Talks K 8
Visit to Mausoleum K 9
Group Tours Army Museum K 9
Agricultural Cooperative Visit K 9
NHAN DAN Marks Cuban National Rebellion Day [26 Jul] K 10
VFF Letter Commemorates War Invalids Day K 10
Further Details K 11
Care for War Invalids, Families of Fallen K 12

INDONESIA

AFP Report on PLO's 'Arafat's Visit, PLO Office N 1
Papers on Palestinian Problem N 1
Further Reportage on Border Meeting With PNG N 1
Commentary Lauds Talks N 2

MALAYSIA & SINGAPORE

MALAYSIA

Rithauddeen, Ghazali Speak on Foreign Affairs O 1
Commentary on 'Arafat Visit, PLO Support O 1

SINGAPORE

Hungarian Deputy Chairman Faluvegi Arrives O 2
Meets Officials [AFP] O 2

PHILIPPINES

Marcos Speech Aimed at Catholic Church Critics	[AFP]	P	1
Virata on Cabinet Economic Recovery Support		P	2
Bank Crisis Threatens IMF Loan Prospects		P	2
[BUSINESS DAY 26 Jul]			
Bank Official Requests Marcos' Intervention		P	4
Further Report		P	4
Economic Crisis Leading to Society 'Losing Hope'		P	5
[BUSINESS DAY 25 Jul]			
Marcos Urges Cooperation in Passing 1985 Budget		P	6
Police Use Tear Gas on Liwasang Demonstrators		P	7
Tolentino Opposes Move To Repeal Amendment		P	7
Absenteeism in Batasan 'Betrays' People's Trust		P	7

MONDALE INDUSTRIAL POLICY COULD PROVE HARMFUL

OW261009 Tokyo KYODO in English 0951 GMT 26 Jul 84

[By Marc Beauchamp, KYODO staff writer]

[Text] Tokyo, July 26 KYODO -- If Walter Mondale is elected president, the U.S. is likely to embark on an "interventionist industrial policy" that would be an "economic disaster" for both the U.S. and Japan, an American expert on high-tech venture business declared Thursday. Joel Thomas Kotkin, author of "California Inc." and many articles on the state's small high-tech companies, warned that Mondale openly supports protectionism, local content and a strong government role in America's corporate boardrooms.

Kotkin told an overflow audience at a seminar sponsored by the Japan External Trade Organization (JETRO) and the American Center that the U.S. instead needs a "non-interventionist" industrial policy. The government, he said, must spend more on education and training and give businesses tax incentives to do research and development.

He points to California as a model. Under Republican Governor George Deukmejian, Kotkin said, the state last year boosted the University of California budget a whopping 30 percent, in addition to improving roads and making capital improvements. "We can't afford to have Japanese young people better educated than American young people," he said.

Mondale and the Democrats, he said, support an industrial policy based on protectionism and the controversial local content bill, which Kotkin believes would cost American jobs, raise prices consumers pay for manufactured goods and reduce the nation's gross national product by 0.5 percentage points. Massive federal support for huge "sunset" industries would be misplaced, Kotkin believes. "The strength of the U.S. economy is not in large corporations," he said, but in small venture businesses. "In the past 15 years, small companies have created almost all of the 20 million new jobs."

But Kotkin doubts the U.S. will be able to resist pressure for more protectionism no matter who wins the November election. Even if Mondale loses Kotkin fears the U.S. will move toward a form of interventionist industrial policy. The effect will be "economic disaster," he predicted. Such a policy, he said, would deny Japanese firms access to the U.S. markets and technology.

The perception in the U.S. -- whether correct or not -- that Japanese Government and industry are "targeting" select industries through a combination of protectionism and government subsidies is putting pressure on U.S. politicians to enact a similar industrial policy, he said. "The American economy is now at a crossroads," he said. "There is widespread fear that without government help and protection the U.S. may not be able to compete in the world marketplace."

Fueling this fear, he said, is the fact that "for the past 15 years the American economy has been developing on two tracks." The old capital-intensive industrial sector, based in the midwest and northeast, has declined, while high-tech industries in the sunbelt states have boomed. "But too many people see high tech as a solution to all our problems. This is a dangerous philosophy because it urges abandonment of manufacturing to other parts of the world." The British, he said, pursued such a policy in the early 20th century and are suffering for it today.

But Kotkin sees hope for America in the likes of Steve Jobs, co-founder of Apple Computer and Gerry Sanders, founder of Advanced Micro Devices, both firms based in California's "Silicon Valley." These men embody the "long tradition of American entrepreneurship," Kotkin said. "They are the greatest stars on the high-tech scene." Venture businesses like theirs are crucial to the U.S., Kotkin believes. "In the past five years over 30 new startup semiconductor companies have emerged, keeping the U.S. competitive with Japan."

ENVOY TO SEOUL: NO FAST CURE FOR TRADE DEFICIT

SK270240 Seoul YONHAP in English 0234 GMT 27 Jul 84

[Text] Seoul, July 27 (YONHAP) -- Japanese Ambassador to Seoul Toshikazu Maeda Friday said there was no instant remedy which could redress immediately South Korea's deficit in trade with Japan. Speaking at a summer school for top business managers sponsored by Korea Chamber of Commerce and Industry held at a hotel in the ancient city of Kyongju, Maeda asserted that Korea's trade imbalance cannot be rectified immediately because Korea should import raw materials for export, semi-finished goods and capital goods from Japan, geographically nearest to Korea.

The Japanese ambassador said, however, Korea can expand its exports to Japan if Korea makes an effort to create greater demands in Japan for Korea-made goods. The Japanese Government will dispatch a purchasing delegation to Korea in the near future as part of an effort to rectify the trade deficit, Maeda said. Korean technicians may be sent to Japan to undergo a training course either this autumn or next year, he added.

JSP'S TANABE, YOUTH GROUP LEAVE FOR BEIJING

OW260945 Tokyo KYODO in English 0918 GMT 26 Jul 84

[Text] Tokyo, July 26 KYODO -- Makoto Tanabe, secretary general of the No. 1 opposition Japan Socialist Party (JSP), leaves for Beijing Friday leading a youth delegation.

During the three-day visit, he will talk with party Secretariat member Hu Qili or party General Office Director Qiao Shi on Saturday, JSP sources said Thursday. Tanabe will explain to Chinese party leaders about the planned North Korea visit by JSP chairman Masashi Ishibashi this fall and the JSP's position on the Korean problem. Tanabe will consult with Chinese party officials on the schedule and other details of a Japan tour by a Chinese party delegation, invited by JSP, the sources said.

KOMEITO DELEGATION TO VISIT PRC IN AUTUMN

OW270503 Tokyo KYODO in English 0356 GMT 27 Jul 84

[Text] Tokyo, July 27 KYODO -- The opposition Komeito said Friday it would send a mission to be led by Chairman Yoshikatsu Takeiri to China to attend a celebration to mark the People's Republic's 35th anniversary on October 1.

At the invitation of the Chinese Government, the 20-member mission will stay in Beijing for about three days and visit Shenzhen, Guangdong Province, for a first-hand look at the open-door economic policy there.

SHARP SUPPLIES RECORDING TECHNOLOGY TO PRC

OW270236 Tokyo KYODO in English 0132 GMT 27 Jul 84

[Text] Osaka, July 27 KYODO -- Sharp Corp. said Friday it has provided radio-cassette tape recorder manufacturing technology to San Lian Electronic Technology Corporation of China and the Chinese corporation has already started production with the technology. Sharp is the first Japanese company to supply such technology to China.

The Guangzhou-based Chinese corporation, set up jointly by the State Economic Commission and the Guangdong Provincial Government, will manufacture about 150,000 radio-cassette tape recorders this year and expects to increase the production to 600,000 units next year. Sharp exported 11 billion yen (44 million dollars) worth of electric appliances to China in the business year ended last March, of which 60 percent were radio-cassette tape recorder-related items.

UN'S CORDOVEZ HAILS PEACE INITIATIVES FOR GULF

OW260719 Tokyo KYODO in English 0644 GMT 26 Jul 84

[Text] Tokyo, July 26 KYODO -- The United Nations considers "valuable" Japan's diplomatic initiatives to deter an escalation of the Iran-Iraq war, visiting Under Secretary General Diego Cordovez said Thursday. Cordovez, of Ecuador, made the favorable assessment of the Japanese efforts as he called on Foreign Minister Shintaro Abe, ministry officials said.

Abe explained to the U.N. official that the Japanese Government has repeatedly urged the warring nations not to escalate their hostilities while requesting other countries to restrain their arms shipments to the two Gulf states. Tokyo is contributing 15,000 dollars in cash to the help the United Nations buy communications equipment for monitoring teams to Iran and Iraq.

Abe hailed U.N. Secretary General Javier Perez de Cuellar's "timely" appeal last month to halt bombing civilian areas in both countries, a Japanese official said.

Cordovez is currently in Tokyo following a visit to the Soviet Union, North Korea and China. He will depart for South Korea Saturday. His trips to both Koreas are designed to hear their respective views of one another as part of U.N. efforts to ease tension on Korean peninsula, Japanese Foreign Ministry official commented. Cordovez said he is looking forward to meeting Abe again in New York in September when the Japanese foreign minister goes there to attend the U.N. General Assembly.

REPORT TO UN PROPOSES NUCLEAR TEST INSPECTION

OW261217 Tokyo KYODO in English 1154 GMT 26 Jul 84

[Text] Geneva, July 26 KYODO -- Japan proposed in a report to the United Nations Disarmament Conference here Thursday to build up an international inspection system on underground nuclear tests. Ambassador Ryukichi Imai submitted the report to the conference calling for a break in the deadlocked negotiations for a total ban on nuclear tests. The report was worked out to embody Japanese Foreign Minister Shintaro Abe's proposal at the disarmament talks here last month to tighten regulations by stages for a total ban on nuclear tests.

With the report, Japan intends to lead negotiations in anticipation of creation of a working subcommittee for negotiations in next year's disarmament conference, Japanese officials said. The report proposed to study at the subcommittee to set yardsticks on how large underground nuclear tests can be detected with the existing international inspection capacity including a seismic observation network. It also proposed setting up an international consultation committee to handle the international inspection system and its improvement.

NAKASONE ORDERS ADHERENCE TO AUSTERITY BUDGET

OW261257 Tokyo KYODO in English 1248 GMT 26 Jul 84

[Text] Tokyo, July 26 KYODO -- Prime Minister Yasuhiro Nakasone Thursday instructed the Finance Ministry to try and keep budget requests of government agencies for fiscal 1985 starting next April to levels lower than their actual appropriations in the previous year. This must be done to carry out the government's administrative reform program, he told Yoshihiko Yoshino, director general of the ministry's Budget Bureau, who was called to the prime minister's official residence, ministry officials said. The same strict belt-tightening principle as last year must be adopted, he said. The government will determine standards for budget requests at a Cabinet session next Tuesday.

The government and the ruling Liberal-Democratic Party (LDP) have already agreed to have budget requests reduced compared with the previous year's actual appropriations. The Finance Ministry wants current expenses and investment outlays cut by 10 percent and 5 percent, respectively.

FINANCE MINISTRY PLAN CURBS DEFENSE BUDGET HIKE

OW251155 Tokyo KYODO in English 1039 GMT 25 Jul 84

[Text] Tokyo, July 25 KYODO -- The Ministry of Finance decided tentatively Wednesday to boost the defense budget just 3.5 percent in fiscal 1985, putting it in confrontation with the Defense Agency which has called for an 8-percent increase. The issue is expected to come to a head on July 31 when a Cabinet meeting will attempt to thrash out a preliminary budget for the coming fiscal year.

Defense spending has increased 6.55 percent for the current fiscal year, though the total budget has risen by only 0.5 percent. For fiscal 1985, however, there will be no increase at all for the entire budget, and the Finance Ministry had already announced that next year's increase in defense spending would have to be lower than that for this year.

But many Liberal-Democratic Party dietmen believe it is vital for the strength of the country's military that spending be upped at least 7 percent. The fiscal 1984 defense budget totaled 2.9 trillion yen (about 11.9 billion dollars). The Defense Agency has called for an additional 236 billion yen (about 963 million dollars) for next year for its weapons modernization plans, personnel cost increases and more retirement allowances. The agency is considering tendering a new request with the Finance Ministry concerning next year's budget.

KPA NAVAL PATROL SEIZES JAPANESE FISHING BOATS

SK261125 Pyongyang Domestic Service in Korean 1109 GMT 26 Jul 84

[Text] Japanese fishing boats, which illegally entered our country's territorial waters, have been seized. The Japanese fishing boats, No 38 Kirishima Maru, No 38 Seiho Maru, and No 17 Kairyo Maru, which illegally entered our country's territorial waters on 25 July, were seized by a navy patrol boat of the KPA. At present, a concerned organization is investigating the captured Japanese fishing boats.

HWANG CHANG-YOP MEETS CHINESE, CHUCHE GROUPS

SK262213 Pyongyang KCNA in English 2206 GMT 26 Jul 84

[Text] Pyongyang July 27 (KCNA) -- Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, on July 26 met and had a friendly talk with the delegation of the Jilin Provincial Committee of the Communist Party of China headed by Yu Lin, vice-chairman of the Jilin Provincial Advisory Commission of the CPC. Present there were a personage concerned and an official of the Chinese Embassy in Pyongyang.

On the same day, Secretary Hwang Chang-yop met and had a friendly talk with Prof. and Dr. Pierre Boudot of Paris University No. 1 who is director of the board of the International Institute of the Chuche Idea. Present there was a personage concerned.

PYONGYANG MEETING ON CUBAN REVOLUTION HELD

SK270409 Pyongyang KCNA in English 0354 GMT 27 Jul 84

[Text] Pyongyang July 27 (KCNA) -- A meeting was held on July 26 at the Chollima House of Culture on the occasion of the 31st anniversary of the armed uprising of the Cuban people.

Placed on the platform of the meeting hall were portraits of the great leader of our people Comrade Kim Il-song and the supreme leader of Cuban revolution Comrade Fidel Castro Ruz.

Wang Kyong-hak, vice-chairman of Pyongyang Municipal People's Committee, made a speech at the meeting. He said that the bold raid on the Moncada Barracks by the Cuban revolutionaries 31 years ago was a great event which developed the national liberation struggle of the Cuban people to a new, higher stage.

He continued: After the victory of the revolution, the Cuban people, under the leadership of the Communist Party of Cuba headed by Comrade Fidel Castro made a great advance through an energetic struggle to consolidate the material and technical foundations of socialism and strengthen the defence capabilities of the country by courageously repulsing repeated acts of aggression, interference and sabotages and subversive acts of the U.S. imperialists and their stooges.

We, he noted, highly estimate the Cuban people who are successfully building socialism by resolutely crushing ceaseless military provocations and subversives of the U.S. imperialists and wish them great success in their future struggle for the prosperity and progress of the country.

Ricardo Danza Sigas, Cuban ambassador to Korea, spoke next at the meeting. He stated that Cuban people express militant solidarity with the fraternal Korean people in their just struggle for forcing the U.S. imperialist aggression forces to withdraw from South Korea and achieving the independent and peaceful reunification of the country.

We, he stressed, highly estimate the policies set forth by the great leader Comrade Kim Il-song for achieving the reunification of the country, national desire of the Korean people, and defending peace and security in this region and all the efforts made by the Workers' Party of Korea and the Government of the DPRK.

He emphasized that the historical visit of the DPRK party and state delegation led by the great leader Comrade Kim Il-song to the Soviet Union and European socialist countries has developed to the highest stage the solidarity and friendly and cooperative relations among socialist countries based on the principle of Marxism-Leninism and proletarian internationalism.

He warmly hailed the great successes registered by the Korean people in socialist construction under the wise leadership of the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea, and the dear leader Comrade Kim Chong-Il.

Before the meeting, the attendants saw Cuban photographs on display at the meeting hall.

MAC MEMBER HOSTS RECEPTION ON WAR ANNIVERSARY

SK260405 Pyongyang KCNA in English 0357 GMT 26 Jul 84

[Text] Pyongyang July 26 (KCNA) -- Major General Yi Tae-ho, senior member of our side to the Military Armistice Commission, hosted a reception on the evening of July 25 on the occasion of the 31st anniversary of the victory in the great fatherland liberation war.

Invited to the reception were Wang Jian, CPV member of the KPA and CPV side to the MAC, officials of the CPV Liaison Office, the Polish, Czechoslovak, Swedish and Swiss members and staffers of the Neutral Nations Supervisory Commission. Speeches were made at the reception. The reception took place in a friendly atmosphere.

CUBAN, OTHER FOREIGN MEDIA REPORT ON WPK PLENUM

SK261050 Pyongyang KCNA in English 0800 GMT 26 Jul 84

[Text] Pyongyang July 26 (KCNA) -- Foreign mass media reported the Ninth Plenary Meeting of the Sixth Central Committee of the Workers' Party of Korea.

GRANMA, organ of the Central Committee of the Communist Party of Cuba, on July 13, giving an account of the plenary meeting, said that the visit of a DPRK party and state delegation led by Comrade Kim Il-song to the Soviet Union and European socialist countries proved the superiority and vitality of socialism and demonstrated the unity and cohesion of socialist countries and it was a historic visit that helped towards checking and frustrating the aggression and belligerent moves of imperialists.

The Tanzanian SHIHATA News Agency July 10 and the paper UHURU July 11 and the PAA News Agency of Austria July 11 reported the plenary meeting.

MEETINGS ON KIM IL-SONG'S TEACHINGS, TOUR HELD

SK270345 Pyongyang KCNA in English 0334 GMT 27 Jul 84

[Text] Pyongyang July 27 (KCNA) -- Mass meetings were held in Nampo, Pyongsong, Hyesan, Kaesong, Hamhung, Wonsan and other provincial seats of Korea to thoroughly implement the teachings of the great leader President Kim Il-song at the Ninth Plenary Meeting of the 6th Central Committee of the Workers' Party of Korea held in Chongjin from July 6 to 9 and its decisions. The reporters and speakers at the meetings said that the plenary meeting proudly summed up the results of the visit of the DPRK party and state delegation led by President Kim Il-song to the Soviet Union and European socialist countries and advanced future tasks in implementing our party's foreign policy.

They stressed that the foreign tour of President Kim Il-song was a historical tour that displayed the superiority and vitality of socialism and greatly contributed to the frustration of the imperialists' schemes of aggression and war and to defence of peace and security in the world and a great event that marked an occasion of an epochal turn in the struggle for accelerating the revolution and construction of our country, strengthening the unity and cohesion of the socialist countries and the international communist movement and for the victory of the cause of socialism and communism.

They expressed their firm determination to bring about a new great upsurge in socialist construction by thoroughly implementing the programmatic instruction of President Kim Il-song at the plenary meeting and its decisions.

YI CHONG-OK ATTENDS LIGHT INDUSTRY GROUP MEETING

SK270359 Pyongyang KCNA in English 0339 GMT 27 Jul 84

[Text] Pyongyang July 27 (KCNA) -- A meeting marking the 30th anniversary of the founding of the Academy of Science of Light Industry was held in Pyongyang on July 26.

At the meeting Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice-president of the DPRK, conveyed a congratulatory message of the WPK Central Committee and the DPRK government to the entire scientists, technicians, workers and office employees of the academy.

Noting that with the founding of the academy, our people became possessed of a reliable scientific research base for building an independent, modern light industry, the message says: Over the past 30 years since its inception the academy has solved many scientific and technical problems arising in the development of light industry and successfully discharged its duties along the road indicated by the party.

The Central Committee of the Workers' Party of Korea and the Government of the Democratic People's Republic of Korea, it notes, highly estimate the achievements of the entire scientists, technicians, workers and office employees of the academy of science and light industry who have made selfless efforts to develop science and technology in the light industrial domain with a high sense of loyalty to the party and the leader and thereby contributed to the development of the nation's light industry and to the betterment of the people's living.

Yun Pu-chil, president of the Academy of Science of Light Industry made a report at the meeting. The reporter said the great leader Comrade Kim Il-song founded the academy in July 1954, indicated the direction and ways of the development of light industrial science in each period and at each stage of the revolution and construction and led the scientists and technicians.

He also recalled that dear Comrade Kim Chong-il took various steps for the development of the nation's light industrial science and sent a large number of modern experimental equipment and gave a wise guidance in bringing a new turn in the light industrial scientific researches, and showed deep political trust in and warm love for the scientists and technicians.

A letter of pledge was adopted at the meeting.

PAEK HAK-NIM ARTICLE NOTES KIM CHONG-IL ORDERS

SK260942 Pyongyang Domestic Service in Korean 0748 GMT 26 Jul 84

[NODONG SINMUN 26 July Special Article by KPA Colonel General Paek Hak-nim: "Our People's Cause Against Imperialism and War and For Peace Will Be Victorious"]

[Text] Imperialism is a disturber of peace and the cause of aggression and war. Due to the imperialists' adventurous schemes of aggression and war, the international situation today is becoming extremely tense and the danger of a new world war is increasing with each passing day. Preventing a new world war and defending peace and security is an urgent question facing humankind in the present era.

The great leader Comrade Kim Il-song summed up the great achievements he made on his visit to the Soviet Union and European socialist countries at the recent ninth plenary meeting of the sixth Central Committees of the party. There, he put forth tasks before our party and people.

At the plenary meeting, the great leader analyzed the present international situation, which is becoming more aggravated with each passing day. He elucidated in detail the principled questions arising from checking and frustrating the imperialists' policy of aggression and war and defending the peace and security of the world.

The policies put forth by the great leader Comrade Kim Il-song serve as guiding principles to smash the imperialists' schemes of aggression and war and advance our revolution and the cause of the fatherland's reunification.

Preventing a new war and defending peace and security is becoming a very urgent question in our country today. The great leader Comrade Kim Il-song has taught: The U.S. imperialists' scheme to provoke a new war assumes a very grave and dangerous nature in the Far East, including our country.

In recent years, the U.S. imperialists have been frantically building up armed forces and kicking up war rackets in South Korea by putting forth a theory attaching importance to Asia and the Pacific. The U.S. imperialists, in accordance with their aggressive strategy toward Asia, are concentrating their aggressive Armed Forces and means of war in South Korea and its vicinity, racing to attain the final stage in their scheme to fabricate a triangular military alliance among the United States, Japan, and South Korea. Thus, South Korea today has been turned into the most dangerous war powder magazine and a U.S. nuclear war base.

It is not by chance that at the moment the world's revolutionary and peace-loving peoples are expressing deep concern about the situation that prevails in the Korean peninsula.

Our people's army men and officers are heavily burdened with their mission to thoroughly implement the decisions of the latest plenary meeting; of checking and frustrating the imperialists' policy of aggression and war and defending the peace and security of the world. At the moment, our people and all men and officers of the People's Army are full of firm determination to solidify and develop the successes achieved during the great leader Comrade Kim Il-song's foreign visits and to make our revolution and socialist construction more vigorously move forward by thoroughly implementing the decisions of the latest plenary meeting.

Our People's Army has a glorious history in the struggle against imperialism. In the past, under the leadership of the party, the KPA has excellently performed its duty of making the world revolution move forward and of defending the peace and security of the world by resolutely struggling against the imperialists' scheme of aggression and war.

The fatherland liberation war, which was concluded with our people's historic victory 31 years ago, was a fierce anti-imperialist and anti-U.S. struggle against the combined forces of the world's reactionaries, including the U.S. imperialists. It was a sacred revolutionary war to defend the country's sovereignty and world peace.

The U.S. imperialists are the ringleaders of imperialism and the perpetrators of the Korean war. Having ignited the war of aggression with a wild ambition for domination over our country and Asia, the U.S. imperialists hurled into the Korean front millions of troops, including their own forces of aggression, the mercenaries of 15 lackey nations, and the South Korean puppet army, in addition to a huge amount of technological combat equipment. At that time, our republic was very young. The war was a harsh fight to decide whether our people could defend the freedom and independence of the fatherland or be reduced again to imperialism's colonial slaves. With no military means or methods could the U.S. imperialists bring our people and People's Army to their knees.

Shouldering all the burdens of the war, the great leader Comrade Kim Il-song wisely organized and led our people and People's Army to victory in the war by presenting strategic and tactical policies at every stage of the war. Our people and People's Army inflicted a shameful defeat upon the U.S. imperialist aggressors, who were superior technologically and numerically, and won a shining victory by heroically fighting, upholding the leadership of the great leader Comrade Kim Il-song, the ever-victorious and iron-willed commander. This was the first defeat in the U.S. imperialists' history of aggressive wars.

Our people's victory in the fatherland liberation war was a brilliant victory of the great leader Comrade Kim Il-song's chuche-oriented military idea, strategy, tactics, and outstanding art of command. By defeating the U.S. imperialists' armed invasion under the leadership of the great leader Comrade Kim Il-song, our people and People's Army prevented a new world war, defended peace and security in Asia and the world, and opened a new era in the anti-imperialist and anti-U.S. struggle.

Our People's Army is a revolutionary army which struggles to defend the revolutionary cause and the security of the fatherland and the people under the anti-imperialist, anti-war, and peace banner. Our People's Army, which has been tempered through two revolutionary wars, is smashing every step of all its enemy's maneuvers. Today, the U.S. imperialists' maneuvers to provoke a new war on the Korean peninsula are being checked and frustrated by the resolute struggle of the heroic Korean people and People's Army to prevent war and defend peace and security in Asia and the world.

To live peacefully in a world free of aggression, war, enslavement, and oppression is the unanimous desire of all peoples. This desire can be realized only when the struggle against imperialism is powerfully staged. Aggression and war are the invariable intrinsic nature of imperialism and its method for survival. World peace and security can be obtained and defended only through struggle.

Our People's Army will make all efforts to oppose imperialism and to defend peace and security in Asia and the world, upholding our party's lines and policy. Political and ideological superiority is the basic source of the might of our People's Army. Our People's Army has always been victorious in its struggle against the strong imperialist enemies because it has political and ideological strength.

Always firm is the will of our People's Army to firmly arm itself with our party's revolutionary ideology, the chuche idea, to live and act at any place and at any time in conformity with that ideology, and to struggle to defend the socialist system and the gains of revolution against the imperialists' encroachments.

Our People's Army is powerful because the Army defends with its life the lives and properties of the people, and because the people love and care for their Army as their own flesh and blood and give wholehearted and ungrudging support to the Army. Our people and the men and officers of the People's Army should continuously preserve the traditional, beautiful custom of the unity between the Army and the people. The invincible might of our People's Army lies in the fact that its political and ideological superiority is backed up by military and technological preparedness.

In the past, our revolutionary Army experienced guerrilla warfare and modern warfare against the imperialist aggressors. In this process, the Army has grown up as a powerful revolutionary armed force with abundant experiences in struggle.

There is no force that can match the might of our People's Army which has grown up and consolidated as the one-a-match-for-100 revolutionary Army that is firmly prepared politically and ideologically, militarily and technologically and that has been converted into a modern and cadre Army.

Today, the world's revolutionary peoples, including those in socialist countries, are firmly standing on the side of our people. They actively support our just revolutionary cause. As in the past, our people and People's Army will stage vigorously a joint struggle against imperialism together with the world's revolutionary peoples, including those in socialist nations, and will continuously consolidate friendship and unity with them.

Today, our People's Army is faced with the honorable duty to firmly defend the oriental post of socialism by thoroughly implementing the party's military line and stepping up combat political exercises in accord with the demands of the present situation. Our People's Army is the Army of the leader [suryong] and the party. Being loyal to the party and the leader is a basic factor determining the combat capabilities and future of our People's Army. Our party is the great leader [yongdoja] of our People's Army.

Dear Comrade Kim Chong-il [title as heard], who is brilliantly realizing the great Comrade Kim Il-song's [title as heard] military ideology and policies, is wisely leading today the work to strengthen and develop our People's Army, upholding the slogan of modeling the entire Army on the chuche idea. The firm credo of our People's Army is to brilliantly inherit the glorious tradition which our revolutionary Armed Forces created during the period when the cause of chuche was being pioneered, to defend to the death the party Central Committee headed by the great leader Comrade Kim Il-song, and to unswervingly and unconditionally implement all lines, policies, orders, and directives being put forth by dear Comrade Kim Chong-il [title as heard]. Nothing can block the march of the men and officers of the People's Army who have such a credo.

The U.S. imperialists are running wild with schemes of aggression and war everywhere in the world, including our country. All people and the men and officers of the People's Army should frustrate a new scheme of war provocation by the U.S. imperialists and the South Korean puppet clique by keenly watching the enemy's schemes with a high revolutionary vigilance and always working and living poised for action.

We do not want war, but we never fear war. If they ignite a war again, forgetting the lesson of history, they cannot escape a more miserable defeat. Invincible is the righteous cause of our people who are struggling for the fatherland's reunification and the complete victory of socialism, upholding the leadership of the party Central Committee headed by the great leader Comrade Kim Il-song. Our people and People's Army will continue to vigorously struggle to reach new heights in socialist construction and to defend the peace and security of Asia and the world, upholding the decisions of the ninth plenary meeting of the sixth party Central Committee.

NEW KAESON PARK FOLLOWED KIM CHONG-IL GUIDANCE

SK261038 Pyongyang KCNA in English 0812 GMT 26 Jul 84

[Text] Pyongyang July 26 (KCNA) -- The Kaeson youth park which had been built on the initiative and under the energetic guidance of dear Comrade Kim Chong-il was opened on July 25. This park was laid out in one year or more from last year. It is situated at the foot of the Moran Hill in Pyongyang.

Comrade Kim Chong-il personally chose the site of the park, showed care for everything such as the distribution of pleasure facilities and green spaces and the kinds of pleasure facilities to be installed there and named the park and pavilions. He gave guidance several times to build the park peculiarly to suit the age of the Workers' Party, and saw to it that everything needed for its construction was supplied.

During his on-the-spot working guidance to it at the end of June, he taught that the park should be built better and managed properly.

The Kaeson youth park was built in modern style to please the aesthetic tastes of the working people and youth and children. Its space is more than 400,000 square metres. It has an oriental-style park and a pleasure park against the background of the beautiful scenery of the Moran Hill.

In the part there are 11 kinds of modern fun fair facilities including merry-go-round, motorcycles, electric cars and the giant wheel. The vibrating rotating desk with an accommodation of 40 people and the rotating chair are the first of their kind ever seen here.

Three beautiful pavilions were built to go well with the scenery, together with a man-made waterfall, a fountain, small lake and a stone mountain resembling "Manmulsang" (mountain of fantastically shaped rocks). Scores of species of trees and flowers fill the space. Here people will see beautiful flowers in all seasons.

The park also has soft drink stalls and other service facilities. The park is so well-lit that the fun-fair facilities can be operated in the night, too.

With the opening of the park, the time-honoured Kaeson Square and the foot of Moran Hill will earn a far-flung fame not only as a revolutionary site but also as a cultural recreation ground for the people.

In Pyongyang modern fun fairs and parks have been built in many places including Mangyongdae and Mt. Taesong.

BRIEFS

NORTH HAMGYONG DELEGATION -- Pyongyang July 24 (KCNA) -- A North Hamgyong Provincial Youth and Children's Art Troupe headed by Kang Song-ui, vice-chairman of the North Hamgyong Provincial People's Committee, left Namyang on July 23 for a visit to Heilongjiang Province, China. A delegation of the Soviet paper IZVESTIYA headed by V.G. Letov, political analyst of the paper, and a delegation of the Soviet-Korean Friendship Orekhov cotton combine headed by secretary of its party committee V.I. Zhurina arrived in Pyongyang on the same day. [Text] [Pyongyang KCNA in English 2203 GMT 23 Jul 84 SK]

EDUCATIONAL CONTINGENT -- Pyongyang July 26 (KCNA) -- A government educational delegation of our country headed by Choe Tae-pok, chairman of the Education Commission, left here on July 25 by plane for a visit to Afghanistan and India. It was seen off at the airport by Kim Pong-chu, chairman of the Central Committee of the General Federation of Trade Unions, Hwang Sun-myong, minister of general education, and K.C. Lalvunga, Indian ambassador to Korea. [Text] [Pyongyang KCNA in English 2211 GMT 25 Jul 84 SK]

NORTH, SOUTH MAY HOLD POST-OLYMPICS SPORTS TALKS

SK262302 Seoul TONG-A ILBO in Korean 26 Jul 84 p 8

[Text] The North Korean delegates to the IOC conference in Los Angeles, who had avoided contact with our delegates, suddenly changed their attitude and made a fairly soft gesture to our side. At a meeting with Kim Tok-chun, deputy of the North Korean delegation, Kim Chong-kyu, vice president of the Korean Amateur Athletic Association now in Los Angeles, proposed to him the resumption of North-South sports talks after the Los Angeles Olympic games.

According to Vice President Kim, the North Korean side responded affirmatively to his proposal for the resumption of sports talks. Responding to his question on forming a single team between the North and the South for the Asian Games in Seoul in 1986 and the Olympic Games in Seoul in 1988, Kim Tok-chun said: "That is a good idea."

CHONGNYON RESUMES REPATRIATION OF KOREANS

SK270109 Seoul THE KOREA HERALD in English 27 Jul 84 p 1

[Text] Tokyo (YONHAP) -- Chongnyon has resumed the repatriation of Koreans residing in Japan to North Korea. The resumption came when a group of 32 Koreans affiliated with Chongnyon were repatriated to the North from Niigata aboard the Mankyongbong-ho Wednesday, the KEKAI NIPPO said Thursday.

Chongnyon, a Korean residents group in Japan organized by those who side with North Korea, failed to send even a single person to the North last year because there were no volunteers. The Mankyongbong-ho, a 3,500-ton North Korean freighter, was originally scheduled to visit Japan in August, but advanced its schedule and made a port call at Niigata last Monday.

The daily said Chongnyon managed to enlist only 32 persons despite a vigorous campaign it conducted to drum up volunteers to live in North Korea. The 32 were mostly aged persons or those without any jobs, the newspaper said. It added that most Chongnyon affiliates have lost interest in the 25-year-old repatriation project as the plight of those who moved to the communist country was made known in Japan.

GOVERNMENT TO RELEASE HIJACKERS TO TAIWAN IN 1984

SK270652 Seoul YONHAP in English 0641 GMT 27 Jul 84

[Text] Seoul, July 27 (YONHAP) -- The South Korean Government has recently decided to release by the end of the year and send to Taiwan the six Chinese hijackers who are now serving prison terms here, a leading Korean newspaper reported Friday, quoting an unidentified diplomatic source.

The TONG-A ILBO quoted the diplomatic source as saying that "the South Korean Government's pertinent ministries have recently agreed to free the Chinese hijackers at an appropriate time within this year and to send them to Taiwan." The source said, however, that the Seoul government has refused the Taiwanese request for the release of mainland Chinese on Aug. 15, the South Korean National Liberation Day. He said the refusal indicated that the South Korean Government did not want to give any special meaning to the release of the hijackers.

The six mainland Chinese hijacked a Chinese civil airliner to South Korea in May last year while seeking political asylum in Taiwan. After being convicted by the South Korean court, they are now serving prison terms ranging from four to six years. The paper quoted an official of the South Korean Government as having said, however, that the Seoul government has not yet decided the timing of their release.

The official said: "The government is seeking proper timing for the release of the Chinese hijackers, not only to maintain the traditional friendly relations with the Republic of China but also for the improvement of relations with mainland China, which is indispensable in reality for the reduction of tension on the Korean peninsula and the successful hosting of the 1986 Asian Games and the 1988 Summer Olympic Games, both scheduled for Seoul." The report came out one day after Taiwanese Ambassador to Seoul Hsueh Yuchi called on Vice Foreign Minister Yi Sang-ok.

Shortly after the South Korean Supreme Court convicted the six Chinese hijackers on May 22, a total of 239 leading social figures in South Korea sent petitions to President Chon Tu-hwan calling for their early release. The hijacking had triggered the first official contact between South Korea and China since the communist government was established in 1949. As a result of a four-day negotiation in Seoul, the plane and 105 passengers and crew members were sent back to China.

HAITIAN MINISTER SUPPORTS INTER-KOREAN TALKS

SK260715 Seoul YONHAP in English 0706 GMT 26 Jul 84

[Text] Seoul, July 26 (YONHAP) -- The Haitian Government has given its full support to South Korea's formula for peaceful reunification of the Korean peninsula through direct dialogue between Seoul and Pyongyang, a joint statement from the Korea-Haiti foreign ministers' meeting said Thursday. Haitian Foreign Minister Jean-Robert Estime expressed his belief that South Korea should be admitted to the United Nations under the principle of universality, the joint communique, released before his departure from Seoul, said.

South Korean Foreign Minister Yi Won-kyong and his Haitian counterpart Estime, who was winding up a four-day visit to Korea, agreed to make joint efforts to strengthen mutual friendly relations and closer cooperation between the two countries in the fields of economics, trade, culture, science and technology, the statement said. The two nations' ministers also stressed that all peace-loving people should exert all possible efforts to eliminate terrorism, which might endanger international peace and stability, the statement added. Yi and Estime strongly condemned the Soviet Union for the Sept. 1 shooting down of a Korean Air Lines passenger plane with 269 people aboard and also denounced North Korea for the Oct. 9 Rangoon, Burma, bomb blast, which killed 17 South Koreans, the communique said.

Speaking highly of the South Korean Government's and people's endeavors to hold successfully the 1988 Seoul Summer Olympics, The Haitian foreign minister voiced his hope that the Seoul international sports event will be a peaceful festival set aside from ideologies and political systems among nations in the world, according to the statement. Estime, who flew into Seoul Monday, will leave here for his Caribbean country Thursday evening.

BOLIVIAN LAWMAKERS ARRIVE IN SEOUL FOR VISIT

SK230159 Seoul YONHAP in English 0148 GMT 23 Jul 84

[Text] Seoul, July 23 (YONHAP) -- Bolivian Chamber of Deputies member Eudora Galindo Anze and Luis Enrique Soria Jaurequi, secretary of Bolivia's opposition Nationalist Democratic Action Party, arrived in Seoul Sunday for a weeklong visit at the invitation of the South Korean National Assembly. During their stay here, the Bolivians will meet with National Assembly Speaker Chae Mun-sik, ruling Democratic Justice Party Secretary General Yi Han-tong, and Ui Tae-sop, minister of state for political affairs.

The Bolivians also are scheduled to visit sports facilities to be used during the 1988 Seoul Summer Olympics, industrial complexes, and the truce village of Panmunjom in the Demilitarized Zone dividing South and North Korea.

COMMUNIQUE ON FRENCH DELEGATION'S VISIT RELEASED

BK260958 Phnom Penh SPK in French 1319 GMT 25 Jul 84

["Press Communiqué" -- SPK headline]

[Text] Phnom Penh, 25 Jul (SPK) -- At the invitation of the National Assembly of the PRK, a delegation of the French National Assembly stayed in Kampuchea from 20 to 25 July 1984. This delegation, led by Robert Montdargent (PCF), [French Communist Party], included deputies belonging to four big French parties: Louis Moulinet and Jean Valroff (Socialist party), Jean Desanlis (Union for French Democracy), Xavier Deniau (Rally for the Republic), and Theo Vial-Massat (PCF).

The delegation, whose objective was to learn about the general situation in Kampuchea, was received by Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State; Chea Sim, member of the KPRP Central Committee Political Bureau, chairman of the National Assembly, and Chairman of the KUFNCD National Council; Hun Sen, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of foreign affairs; and Yit Kimseng, minister of health. Through visits to several cultural, health, and administrative establishments and through a trip to Kompong Som and Siem Reap, it could note the reality of the rebirth of the Kampuchean people, within the framework of the PRK, following terrible events in the Pol Pot era the magnitude of which could be fathomed through a visit to the museum of genocide and mass graves.

It highly appreciated the great developments achieved by the PRK during the past 5 years following the overturn of the genocidal Pol Pot regime. The delegation of the French National Assembly expressed satisfaction with the hospitality and warm welcome given it by the leaders and population of the PRK.

Once they return to France, they will inform the governmental authorities of what they have heard and seen and will try, to the best of their ability to promote the development of humanitarian and cultural relations between France and Kampuchea.

SPK COMMENTS ON CHAN SI VISIT TO BULGARIA

BK261339 Phnom Penh SPK in English 1115 GMT 26 Jul 84

["Ties" -- SPK headline]

[Text] Phnom Penh SPK July 26 -- Friendly relations between Kampuchea and Bulgaria are developing in the interests of the two peoples and the common cause of world peace. The peoples of Kampuchea and Bulgaria are drawn to each other by their common ideal of Marxism-Leninism and proletarian internationalism. Moreover, in their histories, the two peoples have had similar experiences -- the genocide practiced by the Turks in Bulgaria during the many centuries under the Ottoman Empire, and the one perpetrated by the Pol Pot clique in Kampuchea for three years, eight months and twenty days.

Their fraternal ties, formed by past experiences and present aspirations, reached a new stage with Premier Chan Si's visit to Bulgaria, during which the two countries expressed identity of view on all major problems of the present-day world and reaffirmed their unreserved support for each other.

Bulgarian Party Secretary-General and President Todor Zhivkov told Premier Chan Si that he was satisfied at the good development of relations between his country and Kampuchea, and Bulgarian Premier Grisha Filipov reasserted Bulgaria's readiness to assist Kampuchea in building a new life and defending its revolutionary gains.

Premier Chan Si, speaking for the entire Kampuchean people, voice full support for President Todor Zhivkov's initiative for turning the Balkans into a nuclear-free zone, and for all initiatives taken by the Warsaw Treaty to save mankind from a nuclear holocaust. The Kampuchean people are greatly heartened by Bulgaria's unwavering support for them. They pledge their determination to join the Bulgarian people, the peoples of other fraternal socialist countries, and all other revolutionary, democratic and progressive forces in defeating all aggressive schemes of imperialism, thus preventing a nuclear war and defending peace and social progress on our planet.

THAI AUTHORITIES TERMED PRC 'CAT'S PAW'

BK261338 Phnom Penh SPK in English 1123 GMT 26 Jul 84

[Text] Phnom Penh SPK July 26 -- More and more the authorities in Bangkok are acting like a cat's paw for expansionist China against the three Indochinese countries. Their notorious role, long revealed through their odious acts against Kampuchea, has become evident regarding Laos as well. Following frequent provocations against the latter country, Bangkok, with implicit encouragement from Beijing, recently annexed three Lao border hamlets in Sayaboury Province, blatantly violating Laos' territorial integrity and international law. Now, under strong public condemnation, Bangkok has had to talk with Laos for a settlement. However, instead of positively responding to Laos' good will, it is playing for time while seeking more military assistance from China.

Thai Foreign Minister Sitthi Sawetsila is now in Beijing for a powwow with Chinese leaders, hatching new plots against the peoples of Indochina and peace and security in Southeast Asia. According to Western observers in the Chinese capital, military cooperation is high on the agenda.

These moves and the other things they have done to exacerbate tension along the Kampuchean-Thai border and to block all doubt that the rulers in Bangkok have sold out the Thai people's interests in currying for China's favours. The Kampuchean people strongly condemn Bangkok's dangerous designs on Laos. We firmly demand that Thailand respect Laos' sacred sovereignty and territorial integrity by pulling its troops out of the three border hamlets it has seized from Laos and by seriously negotiating for a peaceful settlement on the basis of the Lao-Thai statement of 1979. The military in Bangkok have failed again and again in their hostile moves against Kampuchea because they run into the unshakable solidarity of the three Indochinese peoples. They will also fail in their aggressive intentions against Laos, for the same reason.

HENG SAMRIN GREETES TRUONG CHINH ON VETERANS DAY

BK270600 Phnom Penh Domestic Service in Cambodian 2300 GMT 26 Jul 84

[Undated greetings message from Heng Samrin, chairman of the PRK Council of State, to Truong Chinh, chairman of the SRV Council of State, on the 27 July anniversary of Vietnam's War Dead and Invalids Day]

[Text] The fraternal Kampuchean and Vietnamese people have, since time immemorial, had a tradition of struggling vigorously in the cause of national and class liberation. During the struggle under the common leadership of the Indochinese Communist Party many Vietnamese communists assisted and cooperated with our Kampuchean Communist Party members. During the struggle against the French colonialists, U.S. imperialists, and Beijing hegemonist-expansionists, the Vietnamese people also sent the Vietnamese volunteers to help save the Kampuchean people from the yoke of the feudalists, colonialists, and the Beijing hegeomist-expansionists.

Many of these Vietnamese volunteers sacrificed their lives on Kampuchean soil and many others returned home invalids. The Vietnamese volunteers sacrificed their flesh and blood, fought shoulder-to-shoulder with our genuine revolutionaries, and saved us from the genocidal danger. Today they stand shoulder to shoulder with our KPRAF in the struggle to defend Kampuchea's territorial integrity and the Kampuchean people's peaceful life.

On the occasion of Vietnam's War Dead and Invalids Day, 27 July, on behalf of the Kampuchean party, state, and people throughout the country, we would like to express our most profound gratitude to the fraternal Vietnamese war dead and invalid combatants and to thank the Vietnamese party, state, and people for giving assistance and close cooperation to our party, state, and people.

Through the comrade chairman, we would like to send our best regards to all the fraternal Vietnamese war invalids both in Kampuchea and in Vietnam who had fulfilled their internationalist duty in defending the Kampuchean fatherland. We would like also to send profound and grateful best regards from our Kampuchean party, state, and people to the families of the war dead and invalids and to the families of all the Vietnamese volunteers who are carrying out their proletarian internationalist duties in Kampuchea. The Kampuchean people will learn from and follow the good example set by the fraternal VPA and pledge to enhance the sense of self-assistance, consolidate more firmly their special solidarity with the fraternal Vietnamese People, and heighten the spirit of combat unity between the KPRAF and the fraternal Vietnamese volunteers.

Please, comrade chairman, accept my highest fraternal revolutionary salutations.

LAOS NEWS AGENCY DELEGATION ARRIVES FOR VISIT

Arrival in Phnom Penh

BK241336 Phnom Penh SPK in English 1229 GMT 24 Jul 84

[Text] Phnom Penh SPK July 24 -- A delegation of the news agency of Laos (KPL) arrived in Phnom Penh for an official visit to Kampuchea. The delegation led by Bounteng Vongsai, KPL general director, was received at the Pochentong airport by SPK general director Em Sam-an and Lao ambassador Thongpen Souklaseng. On the same day, Bounteng Vongsai was received by Men Sam-an, president of the Commission of Propaganda and Education of the People's Revolutionary Party of Kampuchea Central Committee.

Received by Men Sam-an

BK250812 Phnom Penh SPK in French 0619 GMT 25 Jul 84

[Text] Phnom Penh, 25 Jul (SPK) -- Men Sam-an, member of the Central Committee and chairman of the Propaganda and Education Commission of the KPRP Central Committee, received the visiting KPL delegation in Phnom Penh on 24 July. On this occasion, Bounteng Vongsai informed his host of the development of the Lao revolution and the increasing growth of the cooperation between the two agencies, SPK and KPL. He stressed the tension prevailing at the Lao-Thai border provoked by the ruling circles in Bangkok under the instigation of the Chinese expansionists in collusion with the U.S. imperialists and other international reactionary forces.

For her part, Men Sam-an said she was convinced that this visit will contribute to the consolidation of the bonds of friendship, solidarity, and cooperation between the two countries, particularly between the two agencies.

She talked about the full support of the Kampuchean people for the just struggle of the Lao people in the face of the perfidious maneuvers and hostile policy pursued by Thailand and the Chinese expansionists in collusion with the U.S. imperialists. Em Sam-an, director general of SPK, and Thongpen Souklaseng, Lao ambassador to Kampuchea, were present at the talks.

PHNOM PENH ON BATTLES DURING RAINY SEASON

BK260416 Phnom Penh Domestic Service in Cambodian 1200 GMT 26 Jul 84

[Excerpt] During the past week, our Revolutionary Armed Forces, in close cooperation with the Vietnamese volunteers, have enhanced their revolutionary vigilance. Despite numerous difficulties encountered in the rainy season, our KPRAF units have conducted further operations against bandits along the Kampuchean-Thai border. They have been timely in smashing and checking all the Thai authorities' activities in support of the bandits who penetrated our Kampuchean territory as well as all the subversive activities committed by the Pol Pot-Sihanouk-Son Sann bandits against our Kampuchean people. They have firmly defended every inch of our territory, villages, and communes, thus creating good conditions for the people throughout the country to successfully accelerate the production drive. All our regular, regional, and militia units have done a good job in smashing the enemy's subversive activities and psychological warfare maneuvers in the rainy season.

During the past week our Revolutionary Armed Forces, in close cooperation with the Vietnamese volunteers, put out of action 192 enemy elements of all stripes and seized 49 assorted weapons, 20 mines, 2 field radios, and a large quantity of war materiel. Among these were some outstanding battle scenes, such as the event on 27 July when the Armed Forces of Thalabarivat District, Stung Treng Province, in close cooperation with the Vietnamese volunteers, launched a sweep-up operation against bandits in an area 82 km north of the district town. Despite the fact that they had to make a long trip during the operation, our Armed Forces were able to follow the movement of the bandits and killed or wounded (?17) bandits immediately after the operation was launched. At the same time, with the same tactics used by the Armed Forces in Thalabarivat District the (? 41st) Battalion of Stung Treng Province launched an operation against a group of bandits in an area 20 km from their position. They killed seven bandits on the spot [words indistinct]. Moreover, seven misled persons have turned themselves in to the authorities.

In addition to sweeping up the enemy elements along the border, our regional and militia units have also smashed and captured some bandits who were hiding deep in the forest. On 6 July, the 1st Battalion of the 13th Regiment killed three bandits near (Phteah Pram Khnang). In Kompong Cham Province, our Armed Forces captured two bandits and killed another. Another outstanding event is that during the past week 36 misled persons have turned themselves in to the revolutionary authorities. In an area of Moung District in Battambang Province, eight misled persons turned to the fold and brought five AK's to the authorities.

THAI PAPER SAYS KHMER TROOPS MOVE TO KOH KONG

BK260127 Bangkok BANGKOK POST in English 26 Jul 84 p 5

[Text] Hundreds of Heng Samrin troops replaced Vietnamese forces in the Koh Kong area last week, according to intelligence reports yesterday. The Khmer troops will take over the task of manning patrol vessels to intercept Thai trawlers allegedly trespassing in Kampuchean waters.

Many of the patrol boats were Thai trawlers seized in previous years, but were fitted with powerful engines and armed. About 400 Vietnamese soldiers were in charge of the duty, but the exact number of Kampuchean replacements was not known. Meanwhile, about 200 Vietnamese troops were sent from Kompong Som to the border opposite Trat Province to fight Khmer guerrillas operating on the Banthat mountain range.

HUN SEN ON POSSIBLE ROLE FOR SIHANOUK, SON SANN

BK261128 Hong Kong AFP in English 1105 GMT 26 Jul 84

[By Bruno Franceschi]

[Text] Phnom Penh, July 26 (AFP) -- Resistance leaders Prince Norodom Sihanouk and Son Sann can still play a role in Cambodia if they agree to return and recognise the new Constitution, Cambodian Foreign Minister Hun Sen has said. In an interview with AGENCE FRANCE PRESSE here yesterday, Mr Hun Sen would not specify what that role would be. But he ruled out their inclusion in a coalition government.

Analysts however said Prince Sihanouk, who heads the anti-Hanoi tripartite resistance and his coalition partner Son Sann could serve in an advisory capacity, much like Prince Souvanna Phouma, who was named government advisor in Laos after the 1975 communist takeover there. "We could not let a former king and a former prime minister become mere peasants," the foreign minister said, adding that the government's clemency policy extended to all those who have been led astray.

His remarks departed sharply from his earlier stance spelled out in December 1982 when he served notice that Prince Sihanouk would be immediately sent to jail if he returned to Cambodia. This significant change in Phnom Penh's attitude toward the Cambodian opposition is in line with efforts by Vietnamese and Cambodian diplomats this year to promote an awareness of the need to eliminate, politically and militarily, the Chinese-backed Khmer Rouge, the third component of the Sihanouk-led coalition.

In this respect, Mr Hun Sen said involving the Khmer Rouge in a four-party coalition, as proposed by Chinese Foreign Minister Wu Xueqian last June and by Prince Sihanouk early this month, was out of the question. The four-way coalition idea received the support of foreign ministers of the Association of Southeast Asian Nations (ASEAN) at their meeting in Jakarta in mid-July. Mr Hun Sen also made it clear that the Cambodian issue would not be affected by a Sino-Soviet rapprochement, although Beijing still insists that closer ties between the two communist giants are dependent on an end to Soviet support for Vietnam's action in Cambodia. A Cambodian settlement, he stressed, "is an affair among China, Indochina and Thailand," he added. Beijing, Bangkok and the latter's partners in ASEAN extend political and military support to the Cambodian resistance. Prince Sihanouk's 5,000 followers, Mr Son Sann's 12,000 men and the 30,000 Khmer Rouge have been battling Phnom Penh government forces and the more than 150,000 Vietnamese troops in Cambodia for more than five years.

On the traditional flurry of diplomatic activity by all Cambodian factions ahead of the September United Nations vote on Cambodian representation, Mr Hun Sen said he thought that he had successfully promoted Phnom Penh's cause during his recent African tour. The foreign minister said that if the Sihanouk-led coalition government, which is recognized by the world body, obtained more votes this year at the U.N., it would change nothing in Cambodia itself. "The United Nations has become the last bastion of the (Sihanouk) Coalition Government", he noted.

SOUBAN SALITTHILAT RETURNS, VIEWS THAI TALKS

BK261215 Vientiane Domestic Service in Lao 1100 GMT 26 Jul 84

[Text] Souban Salitthilat, deputy foreign affairs minister of the LPDR and vice chairman of the central-level Lao-Thai Border Coordination Committee, returned to Vientiane on the morning of 26 July after meeting and holding talks with high-ranking Thai officials with a view to settling the problem of the three Lao villages that have been illegally occupied by Thai ultrarightist reactionaries troops since 6 June 1984.

Souban Salitthilat was welcomed upon his arrival at Wattai Airport by Brigadier General Khamphon Boutdakham, deputy minister of interior, and Somsavat Lengsavat, deputy minister attached to the office of the Council of Ministers, together with many high-ranking cadres attached to the Foreign Affairs Ministry. Somphong Faichampa, ambassador extraordinary and plenipotentiary of the Kingdom of Thailand to Laos, was also on hand to welcome Souban Salitthilat at the airport.

Prior to his departure for home, Souban Salitthilat gave an interview to Thai mass media correspondents at Don Muang Airport, during which he thanked the Thai side for the welcome and facilities. He said: This round of talks was unsuccessful because the Thai side has failed to show its good will on settling the problem. I will leave Bangkok for Vientiane to report the matter to the government. However, a number of our delegation members still remain in Bangkok. During my absence, the ambassador will act as delegation head. The Lao side has already given views and proposals in the geographical, historical, popular, and administrative fields, on the good will of the Lao Government to, together with the Thai side, peacefully solve the problem of the three villages, and on ways to settle the problem. I have requested that the Thai side scrupulously study the various reasonable proposals as presented by the Lao side. I hope that in the second round of talks, the Thai side will maintain a new, positive attitude.

COMMENTARY VIEWS THAI BORDER DISPUTE POSITION

BK261156 Vientiane Domestic Service in Lao 0000 GMT 26 Jul 84

[Unattributed commentary: "The Thai Side Has Still Unreasonably Delayed the Withdrawal of Troops From the Lao Villages"]

[Text] The 3-day talks recently held in Bangkok between the Lao and Thai delegations to end the Thai troops occupation of the three Lao villages have clearly exposed the dark design of the ultrarightist reactionaries in Thai ruling circles to occupy and annex Lao territory forever. Even though it has been the victim of aggression and its territory encroached upon, the Lao side has exercised restraint despite this pain and has displayed efforts to improve fraternal relations between Laos and Thailand. During the talks the Lao side presented its good-will proposal to the Thai side. Nevertheless, the Thai side has implemented numerous tricks to obstruct the talks from achieving a satisfactory outcome. For example, they have tried in every way to delay withdrawing their troops from the three occupied Lao villages.

With such a dark design in mind, since the day the ultrarightist reactionaries in the Thai ruling circles illegally began to nibble at and occupy the three Lao villages in Sayaboury Province, they have resorted to every trick to reject the denunciation and reasonable demand by the Lao people and progressive public opinion in Thailand and internationally that the Thai troops be withdrawn from the three Lao villages, and they have created numerous fabrications to blur the distinction between the robber and the robber's victims. Having been caught red-handed, they are now talking about troop withdrawal. But they have also made various excuses on this issue with a view to maintaining their troops in the three Lao villages as long as possible and continuing to commit crimes against the Lao people.

At his meeting with a group of youths in Bangkok on 18 July, Athit Kamlang-ek said that if we withdraw from the three villages, the Lao side must not enter them. Such a statement not only shows that the Thai side lacks a sense of responsibility but is also aimed at legitimizing the illegal occupation of the three Lao villages and paving the way for Thai troops to set up permanent positions there.

Normally, when one looks at the nationhood of a country's people, one has to concentrate on four points: sharing of their economic life, sharing of territory, sharing of a language, and national identity. If we apply these criteria of nationhood to the three villages nibbled at and occupied by the Thai troops on 6 June 1983, it is crystal clear that the three villages of Ban Mai, Ban Kang, and Ban Savang are undeniably on Lao soil. Concerning this issue, the Thai weekly magazine LAENG KHAO on 1 July clearly explained that the administration of the three villages under the jurisdiction of Laos, the administrative personnel and Armed Forces are all Lao, and the official language used is also Lao. This has existed for several generations. Some farsighted senior Thai officials and Western public opinion have also agreed that the three villages occupied by the Thai troops are 100 percent Lao. The Thai side fabrication, demanding that the Lao side must not send its forces into the villages, is unreasonable and unacceptable. The Thai side would adopt a similar attitude if its territory were nibbled at and occupied by the Armed Forces of other countries. It would not accept such a proposal from the intruder who proposed that the victim withdraw its troops from the seized area. The facts have proven for years that the three villages belong to Laos, are located on Lao soil, and are inhabited by Lao citizens. It is impossible to demand that Lao people withdraw from Lao territory.

The seizure of the three Lao villages by the Thai troops is a grave mistake. Therefore, their troops must be withdrawn. This is the most reasonable way to settle the issue based on the spirit and letter of the 1979 Laos-Thailand joint communique. The issue can be settled amicably provided the Thai side does not harbor any evil intention against Laos.

The Thai persistence in refusing to withdraw its troops from the three Lao villages that they illegally occupied is a scheme to nibble at and occupy Lao territory forever, and is aimed at turning these villages into a stronghold for bandit commandos of the exiled Lao reactionaries taking refuge on Thai soil to carry out activities to disturb and sabotage the peace and happiness of the Lao people. This is the most dangerous scheme outlined and implemented by the Beijing big-nation expansionists-hegemonists, in collusion with the imperialists, to sabotage and destroy the tasks of socialist construction in Laos and in the three Indochinese countries. At the same time, it also shows that the Thai trick on the so-called troop withdrawal is part of the Chinese big-nation expansionists-hegemonists overall strategy against the entire Indochinese region. It is also a long-term ill intention and dark design showing the warmongering nature of the ultrarightist reactionaries in the Thai ruling circles. It threatens not only the Lao, Vietnamese, and Kampuchean peoples, but also directly affects the political life of the Thai people.

Thai refusal to withdraw its troops from the three Lao villages was expressed at the talks between the Lao and Thai delegations in Bangkok a few days ago, in which the Thai side employed a number of new tactics, did not actually show any good intentions whatsoever, and lacked sincerity in negotiating. At the same time, they have persisted in committing more crimes against the people in the three Lao villages they illegally occupy.

Therefore, the demand that Thai troops be withdrawn completely from the three Lao villages as soon as possible is an urgent and legitimate call of the Lao and Thai peoples and all progressive public opinion.

SITTHI SPEAKS WITH PRC'S HU YAOBANG IN BEIJING

BK270124 Bangkok BANGKOK POST in English 27 Jul 84 p 1

[Text] Beijing -- Communist Party General Secretary Hu Yaobang yesterday assured ASEAN that China had no intention to use the Kampuchean problem to threaten other countries. Hu gave his assurance to Foreign Minister Sitthi Sawetsila during an hour-long meeting here yesterday.

A source said Hu asked ACM Sitthi to inform his ASEAN counterparts of China's sincerity to resolve the Kampuchean problem and of China's strong support of ASEAN's stand on Kampuchea.

Hu, according to the source, said China would normalise relations with Hanoi if Vietnamese forces left Kampuchea.

ACM Sitthi also called on Premier Zhao Ziyang and their talks centered on long-term economic cooperation and means to boost trade. A joint venture agreement to build an animal feed factory in Beijing was concluded yesterday, said the source, and China also agreed to buy 40,000 tons of black matte and 2,000 tons of rubber from Thailand.

ARMY OFFICIAL NOTES LAO TROOP BORDER BUILDUP

BK261027 Bangkok Domestic Service in Thai 0530 GMT 26 Jul 84

[Text] Colonel Phopsuk Sutharanan, chief of the Army Secretariat's Public Relations Section, revealed at the Supreme Command Headquarters this morning that Laos has sent more troops and weapons to Oudomsai and Sayaboury Provinces. In particular, Laos has also improved roads and accumulated food supplies in the areas opposite Uttaradit and Loei Provinces and sent spies to gather information in the Thai border areas regularly. Moreover, Laos has barred its people from making any contact or trading with Thai border villagers, resulting in inconveniences and starvation among the Lao people.

Col Phopsuk attributed these problems to the Vietnamese interference in the dispute between Thailand and Laos over the three border villates. He said Vietnam is trying to further aggravate the dispute and make a political problem out of it. As Thailand tries to settle the dispute through negotiations, Vietnam, he said, attempts to divert Lao public attention from the Vietnamese occupation of Laos and create anti-Thai feelings among the Lao people. He said Thailand has exercised restraint and avoided military clashes in dealing with all kinds of provocations by that side in order to safeguard the long-existing good relations between the two countries.

COMMUNIST LEADER ATSANI SEEKS ASYLUM IN LAOS

BK270202 Bangkok THE NATION REVIEW in English 27 Jul 84 p 1

[Text] A senior Thai communist leader, who has been detained in Laos since the middle of last year and thought to be prepared to lead a pro-Hanoi communist movement, recently expressed his desire to seek asylum in the country and softened his attitude toward Laos, informed government sources told THE NATION yesterday.

The sources said that government security officials had acquired a clear picture about Atsani Phonlathan, a former Central Committee member of the Communist Party of Thailand (CPT) and still a senior member, who was among the communist insurgents captured in Laos, through his wife. His wife gave up to the government about a week ago.

Atsani, now living in Sayaboury along with four or five other communist members, however, has not agreed to take up the offer to lead the Phak movement, believed to be backed by Vietnam and Laos, according to the sources.

The sources said that CPT leadership had sent operatives from Nan into Laos and established contacts with Atsani, known by his pen-name as Nai Pi, this year to try to retain his loyalty to the party and persuade him to return to the fold. Atsani, however, refused to return to Thailand and the CPT leadership felt that he was "brain-washed" to a certain extent as far as his attitude towards Laos was concerned, but the CPT leadership still maintained his membership in the outlawed party, said the sources, who were usually reliable in the past.

Atsani was arrested when he and a number of communist insurgents and supporters fled into Laos in March and April. The escapees deserted their strongholds in Nan during a military offensive last year. Laotian authorities allowed the majority of the captives to return to Thailand, detained some others, including Atsani and a few fighters, and slain the staunchly pro-China elements in the swoops, the sources said. The sources said that CPT could establish contacts with Atsani following the relaxation by Vientiane of the ban on the local-level contacts between CPT people in the North and Laos this year. During the military offensive in the middle of last year, the contacts were strictly banned.

MOBILIZATION OF VILLAGE SCOUTS CONDEMNED BY MP

BK270127 Bangkok BANGKOK POST in English 27 Jul 84 p 1

[Text] About 1,000 village scouts massed at Government House yesterday morning to urge the government to prosecute author Sulak Siwalak for alleged lese majeste. The scouts, led by Mrs Suri Buranathanit and Sompong Susuppha-at, gave Police Deputy Director-General Suthat Sukhumvart a letter alleging Mr Sulak made derogatory statements about the monarchy in his book "Lokkhrap Sangkhom Thai." Asked why they chose not to refer the matter to police, the scouts from 24 Bangkok districts said they simply wanted to complain to the government and urge it to act against the writer.

Meanwhile Deputy House Speaker Piyanat Watcharaphon denounced the scouts' actions against Mr Sulak as an attempt to stir up the political situation.

The Chat Thai MP for Sisaket claimed that the scouts' protest was deliberate attempt to engineer political chaos. "Some group is intentionally lighting the fire by stirring them for use as an instrument as has happened before in Thai political history," alleged Mr Piyanat, referring to the October 1976 riots at Thammasat University.

Mr Sulak's book was confiscated by the Special Branch Police, who deemed it detrimental to society. The confiscation came amid dissent sparked by the arrest of communist suspects including university lecturer Dr Pricha Piamphongsan and MATUPHUM editor Chatcharin Chaiwat.

Mr Piyanat said the political climate was very sensitive with democracy and freedom coming under threat. "Students and intellectuals must know how they should behave in such a situation, but they must also call for it to be corrected," he said. "The government, especially the Interior Minister, has the responsibility to preserve the peace. They should study the situation and find those that are fomenting the chaos and stop them," Mr Piyanat said.

BORDER GUARDS, MILITIA PUNISH PRC INTRUDERS

OW261606 Hanoi VNA in English 1548 GMT 26 Jul 84

[Text] Hanoi VNA July 26 -- Vietnamese border guards and militia forces in Quan Ba District, Ha Tuyen Province, recently wiped out 15 Chinese intruders and captured a number of military equipment. The incident occurred on July 22 when a Chinese company crossed the border into Quan Ba District in an attempt to attack a Vietnamese frontier post at the border marker No. 15.

VIEWS OF PRC, THAI FOREIGN MINISTERS CONDEMNED

OW261347 Hanoi Domestic Service in Vietnamese 1100 GMT 26 Jul 84

[Text] According to XINHUA, at a banquet in honor of Thai Foreign Minister Sitthi now visiting Beijing, Chinese Foreign Minister Wu Xueqian once again concocted a story, saying that Thailand and other ASEAN countries are facing the danger of foreign aggression. To incite the ASEAN states to confront the Indochinese countries and undermine the trend towards a dialogue between the two groups of developing nations, he warned Thailand and other ASEAN countries to beware of Vietnam's threats and promises. Wu also criticized the close relations between Vietnam and Kampuchea and sought, as previously, to interfere in Kampuchea's internal affairs by stating that China backs ASEAN's appeal for reconciliation in Kampuchea, and for holding general elections under UN supervision in this country.

Fawning to Wu's statement, Thai Foreign Minister Sitthi also slandered Vietnam for showing no sign of accepting the proposal to solve the Kampuchea issue through negotiations. From the conversation in Beijing between the Chinese and Thai foreign ministers, we can realize more clearly that the relations between Beijing and Bangkok are aimed at opposing the Kampuchean revolution and causing a confrontation between ASEAN and Indochina.

FURTHER REPORTAGE ON MOZAMBICAN GROUP'S VISIT

Le Van Luong on PRC Sabotage

OW261740 Hanoi VNA in English 1647 GMT 26 Jul 84

[Text] Hanoi VNA July 26 -- A grand meeting was jointly held at the Ba Dinh Conference Hall this afternoon by the Hanoi Committee of the Communist Party of Vietnam and the Municipal People's Committee to welcome the visiting high-level party and state delegation of the People's Republic of Mozambique led by President Samora Moises Machel. It was attended by representatives of various public offices and mass organizations in Hanoi and the Hanoi population.

Seen on the presidium of the meeting were State Council President Truong Chinh, Chairman of the Council of Ministers Pham Van Dong, Do Muoi, Vo Nguyen Giap, Huynh Tan Phat, Vo Dong Giang, Le Van Luong, Tran Tan, and others. President Samora Moises Machel and the other members of the Mozambican delegation were also present on the presidium. Opening the meeting, President Truong Chinh warmly welcomed the distinguished Mozambican guests and expressed his belief that their current visit to Vietnam would mark a new development of the friendly and cooperative relations between the two countries.

Le Van Luong, the next speaker, delivered a welcome speech. He warmly hailed the Mozambican people's heroic struggle, the coming into being of the People's Republic of Mozambique in 1975, and the brilliant achievements recorded by the Mozambican people since then. He said: "We note with great joy that the Mozambican people, uniting around the Frelimo Party, have courageously overcome all difficulties to restore and develop production and build a progressive culture, education and system." From the forum of this meeting we once again declare that the Vietnamese people will always stand

on the side of the Mozambican people in their struggle to safeguard and promote their revolutionary gains. We firmly demand that the South African racists stop at once their sabotage against the Mozambican revolution. We wish the Mozambican people success in opposing all schemes and acts of aggression and sabotage of the enemy in order to bring about real peace to the country and build a happy life for themselves."

Le Van Luong strongly condemned the Chinese authorities for colluding with the U.S. imperialists in intensifying their multifaceted war of sabotage against the Indochinese countries, and said: "The Vietnamese people, closely uniting with the fraternal Lao and Kampuchean peoples, with the Soviet Union and other socialist countries and all progressive people in the world, including the Mozambican people, will certainly succeed in building socialism, defending their homeland and fulfilling their international obligations towards the Kampuchean and Lao peoples, thereby actively contributing to the revolutionary cause of the world people".

He said: "We fully support the struggle of the South African people led by the ANC against the apartheid regime and the struggle for independence of the Namibian people led by the SWAPO, and resolutely demand that the South African racists immediately return independence to the Namibian people in keeping with Resolution No. 435 of the U.N. Security Council without linking it to the presence of Cuban forces in Angola".

About the friendly relations between Vietnam and Mozambique, he said: "History has united the peoples of Vietnam and Africa in general and Mozambique in particular, in a genuine and unfailing solidarity...in the atmosphere of warm friendship and militant solidarity today, the Vietnamese people express their gratitude to the Frelimo party, the government and people of Mozambique for their solidarity. The Vietnamese people once again reaffirm their militant solidarity with and most resolute support for the Mozambican people's revolutionary cause".

In his reply, President Samora Moises Machel said: "The Mozambican party and state delegation feels deeply moved at visiting a unified, independent and strong Vietnam. At this moment we pay tribute to the Vietnamese people's heroes and heroines, who have fought against colonialism and imperialism and gained international prestige...the Vietnamese people have waged a heroic struggle not only for liberating their own country, but also for the liberation of other nations, Mozambique included. That is why, the Mozambican people are grateful to the Vietnamese people.

"In this moment full of militant solidarity and brotherhood", President Somara Machel continued, "we treasure the memory of Uncle Ho. President Ho Chi Minh will be loved for ever by the peoples of Vietnam and Mozambique. He is an outstanding fighter and a talented strategist, who devoted all his life to the people's happiness.

The Vietnamese people, educated and mobilized by President Ho Chi Minh, have shown the world that a nation, though small, can defeat any enemy if they unite and fight courageously. The Vietnamese people's victory is a symbol of heroism, talent and creativeness. That is why we bring here to you the Mozambican people's greetings of militant solidarity. We warmly hail the victory of the Vietnamese people at this moment full of brotherhood. Our two nations have always been close together in our common struggle for our common ideal -- Marxism-Leninism -- the ideal that has bound our two parties together in efforts toward building a happy and abundant life for generations to come".

President Samora Moises Machel stressed: "The aim of the current visit to Vietnam by the Mozambican party and state delegation is to hail the Vietnamese people's victories, to exchange our experiences and broaden our cooperation so as to achieve the ideal cherished by the peoples of our two countries. This is also a chance for the parties, the states and the peoples of our two countries to affirm their stance of opposing imperialism, apartheid and the arms race, and of defending peace. In this spirit, our visit had succeeded". The meeting closed in an atmosphere of friendship and militant solidarity.

Banquet Given

OW241744 Hanoi VNA in English 1554 GMT 24 Jul 84

[Text] Hanoi VNA July 24 -- A state banquet was arranged here this evening by the Central Committee of the Communist Party of Vietnam, the State Council president and the chairman of the Council of Ministers in honour of the high-level delegation of the party and state of the People's Republic of Mozambique.

Present on the Vietnamese side were Truong Chinh, Pham Van Dong, Do Muoi, Huynh Tan Phat, Vo Nguyen Giap, Vo Dong Giang, Nguyen Viet Dung, other high party and state officials and representatives of public offices and mass organizations. On the Mozambican side were Samora Moises Machel, Marcelino dos Santos, Sebastiano Marcos Mabote, Joaquim Ribeiro de Carvalho, Jose dos Santos Ferreira, Daniel Saul Mbanze, Jose Julio Andrade, Jose Alberto Bastos Pereira Forjaz, Tomes Salomao, Francisco Carimo Martins Carvels, Lopes Ndelane Tembe, and other members of the Mozambican party and state delegation. President Truong Chinh and President Samora Moises Machel spoke at the banquet.

In the warm atmosphere of friendship, President Truong Chinh, Chairman Pham Van Dong and President Samora Moises Machel and all those present raised toasts to the achievements recorded by the peoples of the two countries in the recent past, to still bigger achievements in national construction and defence of the two countries, and to the constant development and consolidation of the friendship, solidarity and cooperation between Vietnam and Mozambique. Later in the evening, Vietnamese artistes gave a special performance in honour of the Mozambican delegation.

Truong Chinh Dinner Speech

OW251742 Hanoi VNA in English 1552 GMT 25 Jul 84

[Text] Hanoi VNA July 25 -- Following is the text of the speech made by State Council President Truong Chinh at the state banquet arranged here last night by the Central Committee of the Communist Party of Vietnam, the State Council president and the chairman of the Council of Ministers, in honour of the high-level party and state delegation of the People's Republic of Mozambique:

"Esteemed Comrade Marshal President Samora Moises Machel, dear comrades of the delegation, comrades and friends, on behalf of the Central Committee of the Communist Party of Vietnam, the Council of State and the Council of Ministers and the Vietnamese people, I warmly welcome the Mozambican party and state delegation led by Comrade Marshal Samora Moises Machel, president of the Frelimo [Mozambique Liberation Front] Party, and president of the People's Republic of Mozambique, on an official friendship visit to the Socialist Republic of Vietnam.

Thirteen years ago, when the delegation of the Mozambique Liberation Front (Frelimo) led by President Samora Moises Machel arrived in Vietnam, our two countries were both living in war conditions and not yet completely liberated. Today, from an independent Mozambique you have come to us, to an independent, unified and Socialist Vietnam.

Welcoming you, we welcome the Mozambican people, who have a tradition of struggle against foreign invasion, a courageous and hard-working people, who have waged a long struggle against the Portuguese colonial regime, regained independence and freedom for their fatherland, thus making an active contribution to the cause of peace, national independence and social progress in southern Africa ablaze with revolutionary fire, and in the whole African Continent and the rest of the world.

Since regaining their national independence, under the Frelimo's leadership and by promoting the spirit of self-reliance, the Mozambican people have surmounted numerous difficulties, gradually healed the wounds of war and overcome the consequences left by the colonialist regime, focusing their efforts on economic development while strengthening national defence and security. They have founded their vanguard party, built the people's democratic regime, and are taking the country along the path of socialism.

Over the past years, U.S. imperialism, the racist South African Administration and their surrogates have pursued a policy of war of sabotage and division aimed at disturbing, [word indistinct] and reversing the revolutionary tide of the People's Republic of Mozambique and other frontline countries and eventually suppressing the genuine patriotic movement in southern Africa.

Today, in spite of their failures, they are carrying on with this reactionary policy under new and more wicked and perfidious forms. However, just as all their past brutal moves have failed in face of the strength of unity and spirit of staunch struggle of progressive nations in southern Africa who had the sympathy and support of the progressive people in Africa and the world as a whole. [sentence as received] Today all the wicked and perfidious plots and moves of the U.S.-abetted apartheid regime will be certainly thwarted by the Mozambican people and other progressive nations in southern Africa, who are enhancing their solidarity, vigilance and militancy. It is certain that under the leadership of the Frelimo and the Government of the People's Republic of Mozambique headed by President Samora Moises Machel, the Mozambican people will obtain ever bigger successes in the new stage of struggle to firmly safe-guard their revolutionary gains and make Mozambique independent and prosperous, thus actively contributing to the struggle of the peoples in Africa and elsewhere in the world for peace, national independence, democracy and social progress.

The party, the government and the people of Vietnam, now as before are following with revolutionary sentiments, militant solidarity and strong support the just struggle of the fraternal Mozambican people and other peoples of the frontline countries as well as the struggle of the South African people under the ANC [African National Congress] leadership and of the Namibian people under the SWAPO [South-West African People's Organization] leadership against imperialism and apartheid, for national independence and freedom.

Dear Comrade President Samora Moises Machel and all other Mozambican comrades, under the leadership of the glorious Communist Party of Vietnam founded and trained by the late President Ho Chi Minh, over the past decades, the Vietnamese people have carried out difficult and protracted struggles, successively defeated the aggressive wars of the imperialist and reactionary forces to regain independence, freedom and national reunification, to take the whole country to socialism and make active contributions to the growth of the three revolutionary currents in the world. Today, the Vietnamese people ardently want peace to rebuild their country, but they are confronted with the scheme of aggression and multi-faceted sabotage war of the Beijing hegemonists and expansionists in collusion with the U.S. imperialists.

However, with the spirit of self-reliance, the close militant solidarity and all-round cooperation with the Soviet Union, Laos, Kampuchea and the other countries in the socialist community, with the development of their relations in all fields with the non-aligned countries and other countries in the world, the Vietnamese people are implementing and will successfully implement the resolution of the Fifth Congress of the Communist Party of Vietnam, successfully build socialism firmly defend their socialist homeland, defeat all schemes and hostile acts of the Chinese expansionists and hegemonists, thus contributing to the defence of peace in Southeast Asia and the rest of the world.

With its principled foreign policy of peace, the Socialist Republic of Vietnam together with the Lao People's Democratic Republic and the People's Republic of Kampuchea, are committed to improving the situation in Southeast Asia and making this region a region of peace, stability and cooperation. They are ready to normalize relations with neighbouring countries including the People's Republic of China.

We warmly welcome the U.S.S.R.'s initiatives full of the sense of responsibility aimed at averting a nuclear war, safeguarding peace, security and international cooperation as have been expounded in the important statement of March 2 this year by Konstantin Ustinovich Chernenko, general secretary of the Communist Party of the Soviet Union Central Committee and president of the Presidium of the Supreme Soviet of the U.S.S.R.

We give our unqualified support for the just and certainly victorious struggle of the peoples in Asia, Africa and Latin America against the wicked schemes of the imperialists and other reactionary forces.

Esteemed President Samora Moises Machel and other Mozambican comrades, in the past struggle against the common enemy, i.e. imperialism and colonialism, our two peoples were united and supported and encouraged each other. At present, in the complicated but certainly victorious struggle for national construction and defence in our respective countries, we will unite even more closely together, determined to do all we can to make the militant solidarity and the friendly and cooperative relations between Vietnam and Mozambique flourish continually.

We firmly believe that this visit of the Mozambican party and state delegation led by President Samora Moises Machel will greatly contribute to the consolidation and development of the militant solidarity and the cooperative and friendly relations between Vietnam and Mozambique.

Allow me to propose toasts: To new achievements of the Mozambican people in national construction and defence; To the militant solidarity and cooperative and friendly relations between Vietnam and Mozambique; To the health of President Samora Moises Machel and all members of the Mozambican party and state delegation; To the health of Comrade Le Duan, general secretary of the Communist Party of Vietnam Central Committee; To the health of all comrades here present.

Machel Reply Speech

OW251758 Hanoi VNA in English 1639 GMT 25 Jul 84

[Text] Hanoi VNA July 25 -- Following is the full text of the speech made by President Samora Moises Machel at the state banquet offered here last night by the Central Committee of the Communist Party of Vietnam, the president of the State Council and the chairman of the Council of Ministers, in honour of the high-level party and state delegation of the People's Republic of Mozambique:

"Esteemed Comrade Truong Chinh, president of the State Council, esteemed Comrade Pham Van Dong, chairman of the Council of Ministers. Comrades and friends. Ladies and Gentlemen. We were deeply moved while flying over the territory of free and united Vietnam. This feeling increased when we landed in Hanoi capital, symbol of heroism, and when we met with Vietnamese people, who have fought and defeated imperialism, and become the pride of the entire progressive mankind. In the eyes of the children and of all people, we have seen the joy of peace, and no trace of any anxiety about the enemy's bombardments. We have seen the iron determination of a nation, who, with their working hands and their extraordinary will, has made every effort to build their country from ruins into a prosperous and happy country. This determination has taken roots and blossomed from a glorious past struggle against colonialism and imperialism for national independence, and sovereignty and for peace, the most ardent aspiration of nations. These are the common objectives of our two nations. Therefore, we have fought together and won victories together, but your victory is a decisive one, because it is an encouragement to other nations in the world in the struggle for liberation.

This is our first visit to Vietnam from Mozambique, an independent, sovereign, non-aligned and socialist nation. We warmly welcome the people, the Community Party and the state of the Socialist Republic of Vietnam and their victories in the struggle against imperialism and its lackeys, for national reunification and construction. Your words full of friendship towards us express the close friendly relations between our two countries, and the Vietnamese people's solidarity with us.

Esteemed Comrade President, looking back at the glorious pages of history of the Vietnamese nation we recall the immortal President Ho Chi Minh, who founded and trained the Communist Party of Vietnam. President Ho Chi Minh has become an example of devotion to the cause of peace, independence and freedom of nations, to democracy and socialism. With deep feelings we again meet here today the loyal comrades-in-arms of President Ho Chi Minh, a legendary symbol of the combatants, a living monument of the heroic Vietnamese nation, who are discharging a heavy but glorious task, that of building a unified, prosperous and socialist Vietnam.

We firmly believe that under the leadership of the C.P.V., the Vietnamese people will obtain many more successes in the struggle against poverty and backwardness -- our main enemy -- in order to build a prosperous and happy Vietnam.

Esteemed Comrade President, the international situation is worsening; many hotbeds of war created by imperialism are increasing; they are attempting to use force in place of dialogue and reason in settling conflicts. Imperialism has reacted with aggressive acts and is using sinister and wicked tactics in hopes of gaining their objectives. The danger of a large-scale nuclear confrontation is becoming a reality menacing the existence of mankind. In order to cope with the peace and freedom-loving peoples who are stepping up their struggle for peace and independence, the reactionary and bellicose imperialist forces have responded by increasing their military nuclear potentials, by making intimidation and aggression or threats of aggression. The struggle for peace has become a primary task of the international community.

In the present circumstances, struggling for peace means supporting the peoples who are struggling for freedom, democracy and self-determination, for independence, justice and equality. Defending peace means giving priority to peaceful solutions to the disputes, promoting dialogues to find out fair solutions to the conflicts.

The events of historic importance and of profound significance to peace have recently taken place in Southern Africa, especially in Mozambique and Angola: the signing of the Nkomati treaty between the People's Republic of Mozambique and the Republic of South Africa, and the signing of the Lusaka agreement between the People's Republic of Angola and the Republic of South Africa. With the victories of the Angolan and Mozambican peoples, with the eradication of colonialism and with the determination of the two peoples to build socialism on this part of Africa, the two events have clearly shown that the balances of forces in southern Africa have changed in favour of the peace and progressive forces.

The Nkomati treaty marked a new stage in the long process of struggle for peace in our country and in this region. This treaty has reflected the victories obtained by the Mozambican people in opposing the undeclared war waged by South Africa in the context of imperialism's global strategy of causing instability. Under this treaty, the South African authorities, who have entrusted with the task of effecting the imperialists' strategy of causing instability in Southern Africa, are obliged to recognize the sovereignty, independence and territorial integrity of the People's Republic of Mozambique.

At the same time, South Africa has undertaken not to allow groups of armed bandits and mercenaries to use its territory in opposing our country.

That is a treaty of non-aggression and of good neighbourliness between two nations of opposite political and social regimes. But the principle which the treaty has taken as its basis is acknowledged by the United Nations' Charter and pursued by the Non-aligned Movement. Under this treaty, South Africa is obliged to accept and respect the United Nations' Charter and the principles widely recognized by international law.

We join the international community in condemning apartheid as a crime against mankind. We support politically, diplomatically and spiritually the ANC [African National Congress]-led struggle for establishing democracy, freedom, justice and equality, and for all people of South Africa to become citizens of one nation irrespective of race or colour of skin.

The primary task of the international community is to compel the South African authorities to implement the Resolution No 435 of the U.N. Security Council by returning independence to the Namibian people under the leadership of the SWAPO, [South-West African People's Organization] their sole legitimate representative, without any pre-condition.

True to the principles of internationalism, to the nations' right to self-determination and independence, and to the militant solidarity, the People's Republic of Mozambique will continue consistently supporting the just struggle of the peoples of Palestine, El Salvador, West Sahara and East Timor, and will support all correct initiatives aimed at getting rid of conflicts in Asia, Latin America, the Caribbean and the Middle East where the enemy of peace are causing tensions.

The establishment and safeguarding of peace and progress call for a further tightening of the relations and coordination of efforts among the socialist countries, non-aligned countries and democratic and progressive forces the world over.

In the present international situation, our two countries, should further promote our cooperation and make it beneficial to the safeguarding of world peace and security. We think that developing countries like ours should promote our cooperation correctly and fruitfully on the basis of mutual benefits.

At present our two countries are still poor, we are fully aware of our limited capability in the past. Moreover, we are also aware of our potentials which we want to exploit for the interests of our two peoples.

With our resourcefulness and capability which were tested in the most difficult conditions of our fight, we are firmly convinced that our two peoples can share with each other the little possession we have.

The Marxist-Leninist ideology that unites our two parties and the determination of the Mozambican and Vietnamese peoples to successfully build socialism in their respective countries and to get rid of our main enemies, poverty and backwardness, will take us forward.

We believe that by promoting our economic, scientific, technical and cultural cooperation, we will further consolidate our historic solidarity and fraternal friendship.

This is a meeting of two nations in struggle, a meeting of staunch combatants who are safeguarding the ideals of peace, equality, justice and socialism.

Confident in the promising future of our friendship and cooperation, let's raise our toasts: To the health of esteemed Comrade President Truong Chinh; To the health of Comrade Pham Van Dong; To the friendship, solidarity and cooperation between our two peoples, parties and states; To the happiness of our fraternal Vietnamese people; and To peace and socialism in the world; The fight is still going on."

Delegations Hold Talks

OW251810 Hanoi VNA in English 1629 GMT 25 Jul 84

[Text] Hanoi VNA July 25 -- A Vietnamese party and state delegation led by Truong Chinh, Political Bureau member of the Communist Party of Vietnam Central Committee and president of the State Council, held talks here today with the party and state delegation of the People's Republic of Mozambique led by Marshal Samora Moises Machel, president of the Republic and president of the Frelimo [Mozambique Liberation Front] Party, now on a visit to Vietnam.

Also on the Vietnamese side were Pham Van Dong, Political Bureau member of the C.P.V. Central Committee and chairman of the Council of Ministers; Huynh Tan Phat, vice president of the State Council; Vo Nguyen Giap, member of the C.P.V. Central Committee and vice chairman of the Council of Ministers; Nguyen Ngoc Triu, member of the C.P.V. Central Committee and minister of agriculture; Minister Vo Dong Giang, acting minister for foreign affairs; Nguyen Viet Dung, director of the Office of the National Assembly and the State Council; Do Van Tai, deputy head of the International Department of the C.P.V. C.C.; Tran Van Quang, vice minister of national defence; Hoang Trong Dai, acting minister of foreign trade; and Dang Gia, vice minister of the food industry.

On the Mozambican side were Marcelino dos Santos, Political Bureau member and secretary of the Frelimo Party Central Committee, secretary of the Permanent Commission of the People's Assembly [PA] and leader of Sofals Province; Sebastiao Marcos Mabote, Political Bureau member of the Frelimo Party C.C. deputy to the P.A., vice minister of National Defence and chief of staff of the Mozambican Armed Forces; Joaquim Ribeiro de Carvalho, deputy to the P.A. and minister of foreign trade; Jao dos Santos Ferreira, deputy to the P.A. and minister of agriculture; Daniel Saul Mbanze, member of the party C.C., deputy to the P.A. and vice minister of foreign affairs; Jose Julio Andrade, director of the Office of the Party President and deputy to the P.A.; Jose Alberto Bastos Pereira Forjaz, deputy to the P.A. and state secretary for territorial planning; Tomas Salomao, state secretary for National Defence; Francisco Carimo Martins Carvels, state secretary for light and food industries; and Ambassador Lopes Ndelane Tembe, deputy to the P.A.

The two sides informed each other of the situation in their national defence and construction and exchanged views on international and regional questions of mutual concern. The talks took place in an atmosphere of fraternal friendship and mutual understanding.

Visit to Mausoleum

OW251824 Hanoi VNA in English 1626 GMT 25 Jul 84

[Text] Hanoi VNA July 25 -- The high-level Mozambican party and state delegation led by President Samora Moises Machel paid a floral tribute at the Ho Chi Minh Mausoleum here this morning. The delegation was accompanied by Huynh Tan Phat, Ha Van Lau and Le Trang.

The Mozambican guests also visited the late president's home and office. President Samora Moises Machel wrote the following lines in the guests' book:

"At this moment we recall the glorious history of the Vietnamese people and the immortal President Ho Chi Minh, founder of the Communist Party of Vietnam and combatant of the international communist movement. Comrade Ho Chi Minh was an outstanding combatant, a symbol of the heroic Vietnamese people. Ho Chi Minh has become an example of the education of peace, independence and freedom, democracy."

Group Tours Army Museum

OW251826 Hanoi VNA in English 1636 GMT 25 Jul 84

[Text] Hanoi VNA July 25 -- The visiting party and state delegation of the People's Republic of Mozambique led by President Samora Moises Machel visited the People's Army Museum here this afternoon. It was accompanied by Huynh Tan Phat, vice president of the State Council; and Lieutenant-General Tran Van Quang, vice minister of national defence.

Major-General Le Chieu, director of the museum, guided the distinguished Mozambican guests around the exhibition halls, including the ones featuring the victories of the Dien Bien Phu and the Ho Chi Minh campaigns.

President Samora Moises Machel wrote his impressions in the museum's guest-book. Major-General Le Chieu presented President Samora Moises Machel and the members of his party with the "Dien Bien Phu fighter" badge and a set of photos named "Dien Bien Phu, a glorious page of history."

Agricultural Cooperative Visit

OW262158 Hanoi VNA in English 1629 GMT 26 Jul 84

[Text] Hanoi VNA July 26 -- Minister of Agriculture Joao dos Santos Ferreira and other members of the visiting high-level party and state delegation of Mozambique this morning visited the Binh Minh Agricultural Cooperative in Ha Son Binh Province, south of Hanoi.

They were accompanied by Vice-Foreign Minister Ha Van Lau and Vice-Minister of Agriculture Nguyen Dang, and were warmly welcomed by Nguyen Trong Tho, chairman of the Ha Son Binh People's Committee; Nguyen Van Khoa, manager of the Binh Minh Cooperative; and other local officials and members of the cooperative. The Mozambican guests were guided on a tour of the rice fields, a stockbreeding centre, and a brick-kiln at the cooperative.

NHAN DAN MARKS CUBAN NATIONAL REBELLION DAY

OW260937 Hanoi VNA in English 0850 GMT 26 Jul 84

[Text] Hanoi VNA July 26 -- Under the title: "Cuba, Firm Fortress of Socialism", NHAN DAN today warmly welcomes the Cuban people's great successes on the occasion of the 31st anniversary of the attack on the Moncada Barracks (July 26).

The paper points out that from a backward agricultural country with a poor culture and education and with 30 per cent of the peasants not knowing how to sign their names, today the Republic of Cuba has become a socialist country with an agricultural-industrial economy being modernized, an advanced culture and education, and a strong national defence.

"The Moncada spirit", the paper says, "has been strongly promoted with millions of people serving in the Armed Forces and militia to defend the revolutionary gains and the territory, airspace and the waters of the fatherland. The Moncada spirit has also brought about brilliant achievements in production, education and health care. Cuba has also set a bright example of proletarian internationalism. The prestige of the Republic of Cuba in the Nonaligned Movement and in the world has constantly risen.

"The successes of the Cuban revolution", NHAN DAN goes on, "have inspired all its brothers and friends on the five continents and encouraged the Latin American peoples in their struggle for independence, freedom and social progress. Following the success of the Nicaraguan revolution, the resistance war against the U.S. and its henchmen in El Salvador and the national and democratic movement in South America have been vigorously developed.

"The U.S. imperialists have launched a perfidious slander campaign against Cuba in an attempt to intervene in the internal affairs of Latin American countries. They continue to pursue a hostile policy toward Cuba by encircling and threatening it. However, they will have to pay a very high price if they recklessly lay their hands on Cuba. Ten million Cuban people, enjoying the strong support of the Latin American peoples and progressive people all over the world, will resolutely defend their revolutionary gains".

With the Moncada spirit, the Cuban people will successfully carry out the 1981-85 five-year plan laid down by the 2nd Congress of the Communist Party of Cuba, thereby firmly defending their socialist homeland and fulfilling their noble internationalist obligations towards the fraternal nations" NHAN DAN concludes.

VFF LETTER COMMEMORATES WAR INVALIDS DAY

BK261103 Hanoi Domestic Service in Vietnamese 0500 GMT 26 Jul 84

[Text] On the occasion of War Invalids Day, 27 July, the Vietnam Fatherland Front Central Committee Presidium has sent out a letter to commend the Armed Forces' combatants and the people of all nationalities in northern border provinces and to inquire about their health.

The letter stresses, among other things: This year's War Invalids Day on 27 July is of special significance. The VFF Central Committee Presidium is conveying herein its best regards and the warmest greetings to the fallen heroes' surviving families, to the sick and wounded soldiers, to the Armed Forces, and especially to the combatants in the northern border area and those who are fulfilling their international obligations, together with their families.

The new situation this year is characterized by the fact that since the beginning of April the Chinese authorities have ordered their Armed Forces to conduct continuous shellings and armed provocations and to encroach on our country's northern border territory, perpetrating many crimes against our people. These acts fall in with the enemy's plot of conducting a multifaceted war of sabotage aimed at weakening us until it can have a good opportunity to annex our country and Indochina as a whole. The Chinese authorities, in collusion with the U.S. imperialists and other reactionary forces, not only are conducting anti-Vietnam activities, but are fostering the genocidal Pol Pot clique to oppose the rebirth of the Kampuchean people and have incited Thailand to occupy three hamlets of the Lao People's Democratic Republic.

Faced with such a situation, our people must uphold even higher their vigilance, strive to intensify their special relationship with the Lao and Kampuchean peoples, and fight side by side against a common enemy.

The Vietnamese people always want good neighborly relations with the Chinese people and the People's Republic of China. However, we resolve to oppose the Chinese authorities' policy of aggression and expansion. We have the strength of the people's solidarity, the history of defeating foreign aggressors, the militant alliance of the three Indochinese countries, and the effective support and assistance of the Soviet Union and other fraternal socialist countries and progressive peoples all over the world. Our people will certainly be victorious in fulfilling the two strategic tasks of successfully building socialism and firmly defending the socialist fatherland while at the same time fulfilling their lofty international obligations.

Further Details

OW260909 Hanoi VNA in English 0844 GMT 26 Jul 84

[Text] Hanoi VNA July 26 -- On the occasion of the War Invalids Day (July 27), the Presidium of the Vietnam Fatherland Front Central Committee has sent a letter to the soliders and population in the northern border provinces.

The letter commended the Army and population on the northern border for the appropriate blows they had dealt the Chinese aggressors. "Those exploits", it said, "stemmed from the courage of our fighters and population, who were at the same time fighting against the enemy and boosting production, from the unity between the Armed Forces and the people, and the unity among the people of different ethnic groups under the leadership of the Communist Party of Vietnam".

The letter went on: "The Chinese ruling circles, in collusion with the U.S. imperialists and other reactionary forces, are not only bent on harming Vietnam, but have also given aid to the genocidal Polpotists to oppose the Kampuchean people's revival and supported Thailand in occupying three hamlets of the Lao People's Democratic Republic.

Faced with such a situation, our Armed Forces and people should heighten their vigilance, promote their special relations with the Lao and Kampuchean peoples and stand side by side with them in the fight against the common enemy.

"The world tension which results in the frenzied nuclear arms race launched by the U.S. imperialists and their henchmen is having an impact on the situation in Indochina and Southeast Asia.

"We warmly welcome and support the principled stance and constructive proposals of the Soviet Union aimed at averting the danger of a nuclear war of any size and in any form. We reaffirm our solidarity and allround cooperation with the Soviet Union and other fraternal socialist countries. We sincerely thank the fraternal countries and our friends at large for their wholehearted support for our just struggle against the Chinese aggressors.

"The Vietnamese people" the letter added "always desire good neighbourliness with the Chinese people and the People's Republic of China. However, we are resolved to resist the aggressive and expansionist policy of the Chinese ruling circles".

CARE FOR WAR INVALIDS, FAMILIES OF FALLEN

OW260939 Hanoi VNA in English 0857 GMT 26 Jul 84

[Text] Hanoi VNA July 26 -- Preferential treatment in both the material and moral fields has been given to war invalids and the families of fallen heroes whose invaluable services to national liberation and defence will never fade in the Vietnamese people's mind. They have been given priority in medical treatment, study and work in addition to regular allowances paid by the state or agricultural and handicraft cooperatives.

The care for war invalids and fallen heroes' children and parents has involved all mass organizations including youth and women's unions and Young Pioneers' brigades, the latter having launched a nationwide campaign to help them build houses, tend their fields and give them medical care when they are sick. Seriously disabled soldiers are cared for at convalescent centres while other war invalids are provided jobs suited to their abilities and health condition in different state bodies, enterprises and cooperatives.

Forty-three production establishments run by war invalids have been set up in various cities and provinces, employing tens of thousands of disabled soldiers and handicapped people. Besides, more than 200 production teams have been founded involving a good number of war invalids. These production establishments are exempt from taxes and given priority in materials supplies and in the marketing of products.

In the countryside, the war invalids receive preferential treatment in the supply of means of production and in the system of contractual quota payment system. They are assigned jobs in handicraft cooperatives suited to their health. Gardening is also a job mostly reserved for the war invalids and the parents of fallen heroes. There are now 5,600 orchards in whole country given to the care of more than 30,000 war invalids and parents of fallen heroes. But even in this work, they are assigned light jobs such as watering trees, killing insects and harvesting while heavy jobs are done by able-bodied persons. Many young invalids are attending vocational courses at home or abroad. At the secondary school for invalids in Hai Hung Province alone, hundreds of war invalids matriculated each year. Beside the vocational school for war invalids in Thu Duc District, Ho Chi Minh City, most of the cities and provinces have set up their own job training courses.

Every year, on the occasion of the War Invalids Day (July 27) the administration, public offices and mass organizations at all levels take concrete steps to mobilize the entire people to better implement the government policy toward the war invalids and fallen heroes' families.

AFP REPORT ON PLO'S 'ARAFAT'S VISIT, PLO OFFICE

BK261545 Hong Kong AFP in English 0942 GMT 26 Jul 84

[Text] Jakarta, July 26 (AFP) -- Palestine Liberation Organization (PLO) leader Yasir 'Arafat, making his first visit to Indonesia, left here today without achieving his stated wish for a firm commitment to open PLO representative office. Minister of State Secretariat, Sudharmono, told newsmen yesterday that there was no problem "in principle" about setting up a PLO office here. It was only a matter of time, he said.

Asked today about a PLO office here, Mr. 'Arafat replied: "They promised us."

After talks with President Suharto yesterday it was stated that Mr. 'Arafat had received assurances of Indonesia's continued moral support for the Palestinian struggle but was told there was no possibility of material aid since Indonesia was still an economically developing country. Mr. 'Arafat's request to open a PLO office in Indonesia, which in terms of population is the world's biggest Moslem country, reportedly has been in abeyance for two years.

The PLO leader's visit here was in marked contrast to his successful three-day stay in Malaysia where he was given head of state honours. Here the welcome was much more low-key, observers noted. Mr. 'Arafat, accompanied by four other PLO leaders, left today for Brunei but he refused to say for security reasons what would be the next leg of his tour, adding that "the hunting dogs are after me." Before leaving he told newsmen that the PLO was the "reality" and the "most important figure in the Middle East equation." He said the U.S.-backed Israel invasion of Lebanon to demolish the PLO had failed.

Claiming the support of 92 to 95 percent of the entire Palestinian people, the PLO leader said that Middle East security, peace and a settlement cannot be implemented by ignoring Palestinian rights.

Papers on Palestinian Problem

BK270651 Jakarta Domestic Service in Indonesian 2300 GMT 26 Jul 84

[From the press review]

[Text] A KOMPAS editorial says that 'Arafat's struggle is extremely hard because he not only faces external enemies but also enemies within the PLO itself. Since 1973, Yasir 'Arafat has been attempting to dissociate the PLO from acts of violence and international terrorism and present it as a Palestine government-in-exile. Yasir 'Arafat and his organization have in principle accepted the Fes peace proposal designed to establish an independent Palestine on the West Bank and Gaza Strip in a federation with Jordan. The paper says that having been subjected to the same fate, Israel should open itself to Yasir 'Arafat and the PLO.

SINAR HARAPAN says that the most essential thing in continuing the PLO struggle to recover its homeland is unity among various groups which support the organization. The paper hopes that 'Arafat will manage to overcome the PLO's internal crisis before taking further steps.

FURTHER REPORTAGE ON BORDER MEETING WITH PNG

BK261329 Jakarta Domestic Service in Indonesian 1200 GMT 26 Jul 84

[Text] Both the Indonesian chief delegate, Sudharmono, and the PNG chief delegate, Paulias Matane, have considered the 1984 meeting of the border committee of the two countries in Surabaya as the most successful periodic meeting.

Paulias Matane said that the successes achieved so far would enable any rising problems to be settled in a good way. During the meeting, the PNG chief delegate expressed his confidence that the results of the Surabaya meeting would be approved by their respective governments in their efforts to complete the 1979 basic border agreement.

In his closing speech, Indonesian chief delegate Sudharmono hoped that the agreement could be implemented this year and said that its completion was very important to readjust it with the interests of Indonesia and the PNG.

Prior to the closing of the periodic meeting of the Indonesia PNG border committee this morning, the two countries' chief delegates signed two memorandums of understanding on respectively communications and international telecommunications services between Merauke-Daru.

On the occasion, the two chief delegates signed a number of memorandums of understanding. The Surabaya meeting will open up the way for the establishment of Indonesia-PNG good relations in the future. A memorandum of understanding on air links between Ujungpandang and Port Moresby will also be signed in the near future. The next periodic Indonesia-PNG border meeting will be held in the PNG sometime in July next year.

Commentary Lauds Talks

BK251031 Jakarta Domestic Service in Indonesian 1200 GMT 23 Jul 84

[Text] The periodic meetings between the Indonesian and the Papua New Guinea delegations, which have been held since 1979, will continue with the next meeting in Surabaya from 23 to 26 July. Each delegation is comprised of 20 members led by the secretary general of the Foreign Affairs Department of each country. The purpose of the meeting is to conduct an evaluation and review of the basic agreement between Indonesia and the PNG on the designation of the boundary between the two countries, as well as to study efforts toward the perfection of the existing agreement in line with the current situation.

As we know, the basic agreement between the two neighboring countries was signed in 1979. Following the signing of the agreement, annual meetings were held between the two countries. The periodic meetings reflect the good relations between Indonesia and the PNG. Meanwhile, the agreement, which is now 5 years old, may likely be no longer in line with the developments that took place over the 5-year period. Problems which were unknown or considered unnecessary at that time may attract the attention of the two countries now. For example, problems related to the topographical activities as provided for in the agreement need to be streamlined by supplementing the provision regarding the problem of survey. Meanwhile, there is also the need to consider the possibility of setting up a liaison body at a certain level that could meet at any time or at least once every 3 months.

These steps will be another factor in further strengthening the relations between Indonesia and the PNG at the government and civilian levels. Another factor worthy of noting is that with the close consultations it is expected that mutual understanding and relations between the two countries will be further enhanced. Besides that, the close consultations could also prevent foreign interference within the context of bilateral relations between Indonesia and the PNG.

We believe the current Indonesia-PNG national border committee meeting in Surabaya can become a forum that will strengthen the basis of our efforts toward further enhancing the close relations between the two countries.

MALAYSIARITHAUDDEEN, GHAZALI SPEAK ON FOREIGN AFFAIRS

BK261429 Kuala Lumpur Domestic Service in English 1130 GMT 26 Jul 84

[Text] Malaysia will give added emphasis to economic matters in its relations with other countries. The minister of foreign affairs, Tengku Ahmad Rithauddeen, says firm economic ties will lead to stronger political relations and help the country in time of recession. However, the move will not mean a shift in the country's foreign policy. Malaysia will remain nonaligned, continue to uphold the policy of noninterference, and give priority to relations with the ASEAN and Islamic nations.

On Britain's reluctance to give additional landing rights to the Malaysian Airline System, Tengku Rithauddeen points out that his ministry would review the matter. He was speaking during a meeting with Wisma Putera [Foreign Affairs Ministry] officials. Meanwhile, the former minister of foreign affairs, Tan Sri Ghazali Shafie, thought that ASEAN is a much stronger grouping now than it was 5 years ago. It is making its presence felt by the rest of the world. The occupation of Vietnamese troops in Kampuchea has increased ASEAN's political role in bringing about peace to the region.

Tan Sri Ghazali disclosed that he has accepted an offer by PLO Chairman Yasir 'Arafat to mediate in peace efforts if the need arises. He pledged to offer his services in any mission toward peace and prosperity in ASEAN and the world. Tan Sri Ghazali was addressing newsmen after hosting a farewell reception in Kuala Lumpur for heads of diplomatic missions. He also made it clear that he is not resigning [words indistinct] MP post as he thinks the time has not yet come to do so.

COMMENTARY ON 'ARAFAT VISIT, PLO SUPPORT

BK261055 Kuala Lumpur International Service in English 0800 GMT 26 Jul 84

[Unattributed commentary]

[Text] Yasir 'Arafat must have been a pleasantly surprised man when he left Kuala Lumpur for Jakarta yesterday. Although he knows that the government and the people of Malaysia supported the Palestinian Liberation Organization and the Palestinians in their struggle for their rights and justice, the warm reception he received from the people and the leaders would have convinced him that the support from the Malaysian people for the Palestinians was unstinted, generous, and came from a deep conviction and commitment to justice. It is the same conviction and commitment that have motivated the PLO through all their years of struggle from the early days when they had to flee as refugees from their homeland through all the vicissitudes they have suffered. The calumnies that had been heaped upon them and the vacillation of their supporters. Through it all they had survived and survived for their pride intact.

Too often the lot of refugees, difficult in the extreme, a living in refugee camps, has often caused the people to lose their pride, to surrender all the characteristics that had made them a distinctive people, and finally to lose the respect of their host.

The Palestinians have not done so. Before the Israelis drove them out, Palestinians were well known throughout the Arab countries as well as educated, forward looking people with skill and knowledge that were much in advance throughout the Arab world.

Today the average Palestinian is still the same. Even in their camps they have not failed to keep up the standards that they had set themselves before. If anything, the refugee status that they unwittingly possess has made the Palestinians more determined to achieve the objectives, both personal and national. Malaysia, like other members of the Islamic Conference Organization and the Nonaligned Movement, has not wavered in its support for the Palestinian Liberation Organization and its leader, Mr Yasir 'Arafat. It will continue to do so, although not necessarily by force of arms.

(?In) the councils of the world, Malaysia has always voted for the Palestinians cause. It was the first country in this region to accept the setting up of a PLO office. The resolutions passed by the Islamic conference and the Nonaligned Movement have been faithfully adhered to by Malaysia. Trade sanctions had been imposed on Israel. These actions will of course (?be continued). Today, as a result of the inspiration created by Mr Yasir 'Arafat's visit to this country, Malaysians will doubtlessly consider further tangible forms of assistance to the PLO and the Palestinian people. Malaysia's support for the Palestinians is not only based on religious affinities, it is also based on the principle of the right of a people to their own homeland and to self-determination.

SINGAPORE

HUNGARIAN DEPUTY CHAIRMAN FALUVEGI ARRIVES

BK211345 Singapore Domestic Service in English 1300 GMT 21 Jul 84

[Text] The Hungarian deputy prime minister, Dr Lajos Faluvegi, and his 10-member delegation have arrived in Singapore for a 4-day visit. During his stay, he will call on the deputy prime minister, Mr Rajaratnam, Foreign Affairs and Culture Minister Mr Dhanabalan, and the trade, industry, and finance minister, Dr Tony Tan. Dr Faluvegi will also hold meetings with Chairmen of the Trade Development Board Mr Chandra Das, the Association of Banks, the Singapore Federation of Chambers of Commerce and Industry, and the Singapore National Employers' Federation.

Meets Officials

BK231551 Hong Kong AFP in English 1439 GMT 23 Jul 84

[Text] Singapore, July 23 (AFP) -- Hungary's Deputy Premier Lajos Faluvegi, here on a four day-visit, today held talks with his Singapore counterpart, Sinnathamby Rajaratnam, and Foreign Minister Suppiah Dhanabalan. No details of the talks were available, but after Dr Faluvegi's meeting with Singapore's Finance Trade and Industry Minister Tony Tan, a Hungarian official said Budapest planned to open a trade office here shortly.

Dr Faluvegi, who arrived on Saturday with a 10-member official delegation, is scheduled to devote all of tomorrow, his last day here, to meeting representatives of Singapore's banking, business and industrialists groups.

MARCOS SPEECH AIMED AT CATHOLIC CHURCH CRITICS

OW270655 Hong Kong AFP in English 0618 GMT 27 Jul 84

[By Roberto Coloma]

[Text] Manila, July 27 (AFP) -- President Ferdinand Marcos today blasted his Roman Catholic Church critics for allegedly sowing "anger and envy" and told them to uphold the constitutional separation of church and state.

Speaking at the anniversary rites of a pro-Marcos Christian sect, he delivered a scathing speech clearly directed at top Catholic prelates who, earlier this month, issued pastoral letters highly critical of his government.

"Other churches teach nothing but anger and envy. The message of Christ is love your neighbor," Mr Marcos, a Catholic, told the Iglesia ni Cristo (Church of Christ) sect, which claims over two million members. An estimated 80 per cent of the 53 million Filipinos are Roman Catholic.

Top prelate Jaime Cardinal Sin and the Catholic Bishops Conference of the Philippines (CBCP) have issued public statements calling for the removal of the president's decree-making powers, denouncing alleged military and government abuses and supporting opposition clamors for political and economic reforms.

Thanking the Iglesia sect for its consistent support for his 19-year-old administration, Mr Marcos said in Filipino: "We thought churches should give us peace outside and in our hearts. What we see is that the big churches give not peace but contention and envy."

The chief executive denounced the alleged use of the pulpit for politics, quoting the constitutional provision that "the separation of church and state will be inviolable." "When it says inviolable, it means you cannot violate it by any means direct or indirect. And it arose out of our history. It arose out of the evils, oppressions we have experienced in the last century under Spain, when the friars practically took over the government," he said. He was referring to the Spanish colonial government from the 16th to the late 19th century, during which friars played an active role in the administration of these islands until the 1896 Philippine revolution.

"Let us pray that these acts end now. But let them be. Those things can't help our problems in peace and the economy," he told the sect, whose members traditionally vote as a solid bloc in elections as their leaders tell them.

Meanwhile, Filipino Moslem leaders have urged their influential Roman Catholic counterparts to stop meddling in government affairs and using the pulpit for "partisan political purposes," published reports said. In a resolution submitted to the National Assembly, Moslem theologians and scholars grouped under the Ulama Council of the Philippines said the constitutional separation of church and state should be maintained. Official statistics show that there are more than five million Filipino Moslems, most of them living in the large southern island of Mindanao.

In another development, Defense Minister Juan Ponce Enrile today called on government information officers to "seize the initiative" against communist propagandists and shed "unwarranted secrecy" even in security matters. Addressing managers of the office of media affairs, the minister said: "We are up against people who are masters in the art of political propaganda."

The government has been fighting the Communist Party of the Philippines (CPP) and its military wing, the New People's Army (NPA), since 1969. Mr Enrile today said NPA regulars now numbered 4,000 nationwide. Independent estimates are from 7,000-10,000, and the NPA itself claims 20,000.

"It is but natural for the public to believe the credibility of an open information system over a closed one," said the minister, who added that "even in security matters, unwarranted secrecy could be counterproductive."

Mr Enrile said he had allowed military regional commanders to release information on their operations directly to the public as he stressed "the need for factual and accurate reporting...in order to continually sustain government credibility." Official accounts here of military-NPA clashes have often clashed with those of local reporters at the sites of military operations.

VIRATA ON CABINET ECONOMIC RECOVERY SUPPORT

OW261305 Quezon City RPN Television Network in English 1100 GMT 26 Jul 84

[From the "Newswatch" program]

[Text] The Cabinet has mobilized various ministries to pave the way for the early enactment of legislation in support of the government's 10-point agenda for national recovery. If you will recall, the president spelled out the economic recovery program during his State of the Nation Address last Monday, during the inaugural session of the Batasan. More on today's Cabinet meeting from Philip Tan.

[Begin recording] [Tan] All ministries in the government have been asked by the Cabinet to recommend legislations in support of a 10-point agenda for national recovery. If you will recall, the program for recovery and growth was outlined by President Marcos in a State of the Nation message at the opening of the first Batasang Pambansa last Monday.

The Cabinet meeting, presided over by Prime Minister Cesar Virata, agreed to have all ministries submit legislative recommendations in support of the program. It has been decided the first measure that will be submitted to the Batasang Pambansa is the proposed Appropriations Act of 1985.

[Virata] We have given them assignments as to what particular bills have to be developed and submitted to the Cabinet, so that we can dispense these particular bills before the Batasang Pambansa. And there are also a number of bills which were not finished in the interim Batasang Pambansa, which we have to reintroduce before the Batasang Pambansa now.

[Tan] Meanwhile, the proposed Appropriations Act of 1985 is expected to be discussed Monday evening, immediately after the election of a prime minister.

Virata is expected to submit a statement of receipts and expenditures, and a proposed budget for next year. After submission, the proposed appropriations measure will be subjected to close study by the Appropriations' Committee for about 7 days. Budget deliberations are expected to last 1 month. In the meantime, Prime Minister Virata asked all Cabinet members to be available for consultations with the Appropriations Committee. [End recording]

BANK CRISIS THREATENS IMF LOAN PROSPECTS

HK270103 Manila BUSINESS DAY in English 26 Jul 84 p 2

[Text] An emergency meeting yesterday of the Monetary Board, called to deal with the Banco Filipino problem, failed to yield any concrete result. The crisis now threatens not only the stability of several banks but also the prospects for an early approval of the International Monetary Fund's (IMF) rescue loan to the Philippines.

Bankers yesterday claimed that the panic withdrawals of bank deposits have slackened considerably, but sources in the Central Bank [CB] said CB cash releases to banks and bank overdrafts with the CB increased considerably in the past three days. These have been necessary for banks, particularly savings banks, to meet abnormal withdrawals of deposits from banks.

As of end of the first quarter, the cash domestic commercial banks kept in their vaults amounted to only P [pesos] 2 billion. Their demand and saving deposits totaled P45.5 billion. A 5 percent drop in these deposits, for example, would require these banks to shell out P2.3 billion, an amount that would wipe out the cash in the vaults.

Liquidity: The overdrafts and cash advances will push up the "total liquidity" -- the total amount of money in circulation and in bank accounts -- way above the ceilings the IMF wants the CB to maintain as a condition for the extension of the IMF loan.

Even before the Banco Filipino crisis started to emerge on July 13 -- when CB Governor Jose B. Fernandez Jr., allegedly required the bank to either sell out or merge with another bank if it wanted CB help -- overdrafts of banks had been pushing up the reserve money (the money the CB releases, which determines liquidity levels) way beyond the schedule the CB told the IMF it would follow for the reduction in reserve money. CB sources said the schedule called for a reduction in reserve money to between P26 billion and P27 billion by the end of July. As of July 16, because of banks' overdrafts, the reserve money amounted to P28.2 billion.

Because of the inability of the CB to control liquidity, the two-man IMF team finished talks with government representatives last Friday without getting nearer toward approval of the IMF loan. The CB submitted last week a detailed program for the reduction in liquidity. However, with the Banco Filipino crisis that would require massive cash releases to banks to restore confidence in the banking system, the CB would have to call that program back and formulate a new one. This may take months, the program would first have to be studied anew in detail by the IMF team.

CB Governor Fernandez yesterday issued a statement to appeal to "segments of the banking public (that) have shown unnecessary apprehension over the safety of their deposits." He stressed that the withdrawals can be sufficiently met both by the banks' reserves as well as cash the CB will release to cash-deficient banks. He said the "unnecessary withdrawals could only expose the depositing public to loss of interest income and possible exposure to criminal elements. "

Monitoring: Sources in the CB said the IMF is expected to closely monitor the impact of the Banco Filipino case on the financial system. They said one of the major findings of the IMF teams sent here since the start of the year was that CB efforts to keep the financial system afloat whenever a crisis of confidence erupted had been one of the reasons for the excess liquidity from 1981 up to the first quarter of this year.

In particular, the IMF had traced the start of the growth of liquidity in the country to the rescue operation in early 1981 arising from the Dewey Dee affair. The IMF has noted that after the rescue operation, no efforts were made by monetary authorities to recover the excess funds released into the system. Similarly, CB emergency lendings amounting to P2 billion to beleaguered banks and other financial institutions in the last quarter of 1983 pushed up liquidity levels, which were not reserved and later even worsened by the massive national government borrowings from the CB in April.

The IMF now will demand assurances that the emergency lending to banks to keep them afloat will be quickly reversed, the sources said.

What worries some CB officials is that the rise in the money supply due to CB releases and depositors' withdrawals will be compounded by the redemption of the nearly P5 million of the CB bills, the bulk of which mature in two or three months. With banks' tight cash positions threatened by the effects of the Banco Filipino problem, the CB may be unable to stem the tide of money flowing out of the CB by selling more CB bills to banks. CB bills were a main instruments of the CB in recent months to cut liquidity.

Concern: Meanwhile, Member of Parliament Jaime N. Ferrer of the Paranaque Las Pinas District yesterday issued a statement asking President Marcos to "take immediate and decisive action to correct the Banco Filipino situation."

"Whatever the complete facts governing this situation may be," Ferrer said, "the loss of confidence this situation can effect on the nation's biggest savings institution could very easily trigger bank runs all over the country, the net result of which will merely exacerbate the present economic difficulties."

"For the sake of the three million depositors of Banco Filipino, many of whom are my constituents, and the entire Philippine banking system, I implore President Marcos, Prime Minister Virata and Governor Fernandez to give this very serious matter affecting the very bloodline of the economy their preferential attention."

BANK OFFICIAL REQUESTS MARCOS' INTERVENTION

HK270243 Manila Far East Broadcasting Company in English 2245 GMT 26 Jul 84

[Text] The help of President Marcos was sought yesterday [26 July] by Tomas Aguirre, the founding president of Banco Filipino Savings and Mortgage Bank. Aguirre asked the president to intervene for an early solution to the bank's problems.

In his letter to the president, Aguirre said negotiations with the Central Bank are getting nowhere and no solution is in sight. The talks between Banco Filipino officials and the Central Bank Governor Jose Fernandez have been going on for the past 2 days. Aguirre, who said he is meeting again today with Fernandez, complained to the president about the alleged arrogant attitude and scheming of the Central Bank governor against Banco Filipino. Aguirre appealed to President Marcos to please intercede to ease the mounting tension among Banco Filipino depositors.

There is no word yet on the reaction of the president to the appeal by the Banco Filipino founding president. Meanwhile, banks operating in Metro Manila said the rash of withdrawals that began Monday appeared to have stopped yesterday. The banks said some depositors had even started returning the money they withdrew during the last 3 days. The banks reported similar improvement in the banking situation in their branches in the province.

Further Report

HK261117 Quezon City Maharlika Broadcasting System in English 1100 GMT 26 Jul 84

[Text] Tomas Aguirre, founding president of Banco Filipino, today appealed to President Marcos to intervene in the ongoing controversy between Banco Filipino and the Central Bank. In a letter to the president, Aguirre said he doubts that an immediate solution can be reached with the Central Bank without the intercession of the chief executive. In his letter, Aguirre attached copies of position papers the bank had submitted to Senior Deputy Central Bank Governor Gabriel Singson. The papers were signed by the bank's legal counsel, Norberto Quisumbing.

ECONOMIC CRISIS LEADING TO SOCIETY 'LOSING HOPE'

HK260452 Manila BUSINESS DAY in English 25 Jul 84 p 4

["The Financial Executive" Column by Ramon del Rosario Jr, President of Asian Savings Bank: "A Nation Adrift"]

[Text] One cannot help but get the feeling that the problems our country is facing may be getting out of hand.

For many many months, the government has been touting the IMF package as the panacea that would put us firmly back on the road to recovery. It has tried everything within its means to gain IMF assistance -- three devaluations, unprecedented interest rates that are choking business and industry, and even fudging its statistics. Yet the elusive package seems farther from our grasp now than it did last November. And indeed many are beginning to wonder if the "cure" is not worse than the disease, if the IMF package will really help us or simply accelerate our economic collapse. The refusal of our government authorities to inform the public of the substance of its proposed commitments to the IMF has served only to fuel speculation, not to squelch it. Anxiety is at fever pitch, and the government seems unable to calm people down.

The parliament of the streets appears to be fully reinvigorated, but the demonstrations are different now from those of a few months ago. They are angrier, more intense. The students and the labor sector, who chose to stay in the background in much of last year's rallies, are now at the forefront, carrying with them their heightened militancy and passion. The government has resorted to intimidation and threats, to truncheons and teargas, but they have succeeded only in inflicting violence on nonviolent citizens. And the demonstrations grow larger, more frequent and more intense.

The labor sector is restive and for good reason. Companies are shutting down and employees are being laid off. Strikes seem to be mushrooming everywhere, from pizza parlors to textile firms, and even highly profitable government corporations are laying off hundreds of employees. How are all these laborers to support their families? How long can they survive before they become desperate? Here, too, the government has tried threats and coercion, even bullets, but the strikes keep spreading.

The banking community is experiencing its worst crisis of confidence in memory. The tenacity with which Banco Filipino is trying to force the hand of the Central Bank to give it the assistance it needs to survive reeks not only of desperation but also of disdain for monetary authorities whose function is purportedly to assure the stability and well-being of the financial system but whose acts, they claim, have succeeded only in creating an environment that has made it impossible for financial institutions to survive. Never have so many banking and financial institutions collapsed in so short a span of time, yet our government seems unable to do much except give assurances that the public no longer believes. The prime minister's pronouncement that a savings bank in Cavite was healthy was followed by its not-so-royal closure the very next day! It is a measure of the public's mistrust and lack of confidence that leaflets urging depositors to withdraw their funds from banks, which ordinarily would have been shrugged off as the work of some cranks, are now finding more than a few receptive ears. The government seems powerless to restore confidence in the system.

There are more subtle signs of a society that is losing hope. Expectant mothers seriously consider delivering their babies in the United States for the sole purpose of establishing an umbilical cord to safety "just in case." Highly paid professionals are giving up lucrative positions to seek jobs abroad "for the sake of their children."

The idea of purchasing dollars with one's excess funds is no longer the exclusive domain of the wealthy as even middlemanagers and junior professionals try to get their hands on whatever few dollars they can afford because they believe it is futile to hold on to rapidly devaluing pesos. Overseas workers do not remit the bulk of their earnings through official channels but hold on to whatever foreign exchange they can. The government has resorted to raffles and Lois [expansion unknown] but the funds still do not flow in.

The Batasan opens its session with the euphoria of May 14 now largely gone. Well-meaning reform-minded assemblymen find the words of encouragement and support they are receiving almost invariably laced with warnings that the road ahead will be filled with frustrations and disappointment. While the Filipino people overwhelmingly voted on May 14 to give the Batasan a chance to show that it can effect meaningful change, we seem to be operating on a very short fuse. Just how much time our people are prepared to give the Batasan is difficult to determine. One thing is clear, however, and that is that the cost of disappointment and disillusionment will be extremely high for what is ultimately at stake is the faith of the people in electoral processes as the means of effecting meaningful change.

It is in this environment of a society drifting towards despair and a government totally incapable of stemming the tide that talk of a possible reimposition of martial law is gaining currency. The thought, it seems, is that only through the absolute authority of a martial law regime can the government take a firm hold of the situation and avert total economic collapse.

Nothing could be further from reality. What the nation truly needs is fresh, credible, and effective leadership, a sense of unity, of common purpose, of an entire nation working together to pull itself out of a political and economic quagmire. What we need is leadership borne out of respect and nurtured by a nation's abiding faith, trust, and confidence.

It is clear that the incumbent government is bereft of such leadership, but this is not to say that its responsibilities have ceased. For as long as this government insists on remaining in power, it owes it to our people to at least set the stage for true national reconciliation in order that our energies and resources as a nation can be focused on the task of rebuilding our devastated country. The prescription to achieve this is by now widely recognized: general amnesty for all political prisoners, a repeal of all the repressive decrees that infringe on our basic human rights, and, above all, the repeal of Amendment 6.

It may be an irony, but to resort to martial law as the only means to reassert its authority over a desperate nation would be the ultimate admission of the government's impotence. It is only by relaxing its grip on absolute power that this government may gain sufficient strength to ease the misery of its people. We can only pray that the absolute folly of a second martial law will be fully realized before it is ever attempted.

MARCOS URGES COOPERATION IN PASSING 1985 BUDGET

HK270830 Quezon City Maharlika Broadcasting System in English 0800 GMT 27 Jul 84

[Text] President Marcos today called on every member of the Batasang Pambansa for cooperative action in passing the proposed 67.3 billion peso budget for 1985. In his annual budget message, the president said the urgency of the situation demands the most expeditious action from the people's representatives. Mr Marcos said the proposed budget has three goals, these are: to increase productivity for sustainable economic growth, to achieve equitable distribution of the fruits and benefits of development, and to attain total human development.

POLICE USE TEAR GAS ON LIWASANG DEMONSTRATORS

OW261259 Quezon City RPN Television Network in English 1100 GMT 26 Jul 84

[From the "Newswatch" program -- report over video of Manila street demonstrations]

[Text] Tear gas was again the order of the day against demonstrators. Antiriot police used tear gas anew today to disperse a crowd of demonstrators at the Liwasang Bonifacio. The demonstration was originally scheduled in front of the Western Police District Headquarters, along United Nations Avenue. However, the demonstrators, after holding a dialogue with police officers, decided to march through the city streets.

They passed by City Hall to get a permit for tomorrow's rally, but Mayor Bagatsing was not in his office. The demonstrators then decided to proceed to Liwasang Bonifacio. Police had to use tear gas after the demonstrators, numbering about 500, refused to disperse. Rally leaders said tomorrow's rally at the Liwasang Bonifacio will be staged with, or without, a permit.

TOLENTINO OPPOSES MOVE TO REPEAL AMENDMENT

HK250748 Manila Far East Broadcasting Company in English 2245 GMT 24 July 84

[Text] Foreign Minister Arturo Tolentino opposed yesterday [24 July] as impractical the move to repeal the Sixth Constitutional Amendment which provides decree-making powers for the president. Tolentino said the repeal of that presidential power would need 150 votes from the 200-member Batasang Pambansa. The foreign minister expressed doubts that the opposition can muster even 100 votes to push through the repeal, even assuming that some KBL [Kilusang Bagong Lipunan] assemblymen will join the move. Tolentino suggested a cooling-off period over the issue and then work out a compromise with the president. Tolentino declined to suggest what the compromise will be.

ABSENTEEISM IN BATASAN 'BETRAYS' PEOPLE'S TRUST

HK270245 Manila Far East Broadcasting Company in English 2245 GMT 26 Jul 84

[Station Commentary]

[Text] The regular session of the Batasan has barely started when absenteeism among assemblymen has already surfaced. On the second day of session last Tuesday, 60 assemblymen were absent from the deliberations. Not a good record, indeed. Obviously the absentees did not even bother to make a very good first impression as members of parliament.

Concerned citizens would surely feel insulted that in this present national crisis these assemblymen can afford to forego the task they have been elected to. Absence from the Batasan deliberations for no justified reason is a betrayal of the people's trust. The leadership of the Batasan in the parties concerned should take punitive action against absentee assemblymen unless their absences are justified.

It will be recalled that no less than President Marcos, during the term of the interim Batasan, criticized assemblymen who were habitual absentees during sessions. The president even threatened drastic action against these undesirables. Our honorable assemblymen should be reminded that the privileges of their position as members of that august body do not include dereliction of duty, and that much of the country's future depends on their performance.

END OF

FICHE

DATE FILMED

30 July 1984

